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FISCAL IMPACT REPORT

SPONSOR Sanchez ORIGINAL DATE 2/09/18
LAST UPDATED _____ HB _____

SHORT TITLE Corporation Biennial Report Due Dates SB 225

ANALYST Daly

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Secretary of State (SOS)

SUMMARY

Synopsis of Bill

Senate Bill 225 changes the biennial corporate report due date from the 15th day of the third month to the 15th day of the fourth month following the end of the corporation's taxable year.

The effective date of this bill is July 1, 2018.

FISCAL IMPLICATIONS

No fiscal impact to the State is anticipated.

SIGNIFICANT ISSUES

SOS reports that in 2017, the Internal Revenue Service changed the corporate tax return due date from the 15th day of the third month to the 15th day of the fourth month following the end of a corporation's taxable year. That change has resulted in confusion over when a corporation's biennial report is due to the SOS. SB 225 realigns the due date for the biennial corporate report filed with the SOS to match the date that the corporation's tax return is due to the Internal Revenue Service.

MD/al