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FISCAL IMPACT REPORT

SPONSOR:	Sandel	DATE TYPED:	02/03/00	HB	177
SHORT TITLE:	Amend Tax Administration Act			SB	
				ANALYST:	Williams

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY00	FY01			
	\$ (19.0)	\$ (202.0)	Recurring	General Fund
	\$ (0.5)	\$ (3.5)	Recurring	Other State Funds
	\$ (37.0)	\$ (39.0)	Recurring	Local Governments

(Parenthesis () Indicate Revenue Decreases)

Duplicates/Conflicts with/Companion to/Relates to

SOURCES OF INFORMATION

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

The bill would:

1. Change calculation of interest due based on the number of days of delinquency; no change is authorized for the full-month penalty assessment;
2. Ratifies claims for refund paid from July 1, 1997 to June 30, 2000 when those refunds were paid after the 120 day period allowed;
3. Revises some refund procedures and permissions;
4. Authorizes TRD to act with the taxpayer during the taxpayer's 90 day action period after the 120th day following a refund claim;
5. Shortens the time period for a person to file a refund claim to one year when the person paid a tax after the end of the third year following the year in which tax was due;
6. Authorizes a five day period for taxpayers to provide identification information for electronic payments.

The bill makes other technical changes, including modifications for Automated Clearing House deposits.

Interest and other provisions are effective January 1, 2001, while remainder of bill is effective July 1, 2000.

FISCAL IMPLICATIONS

TRD estimates first year general fund revenue loss of \$19.0 in FY01 and \$202.0 for a full year due to the loss of ½ month interest on every delinquency. Other state funds and local governments would also experience a revenue loss.

ADMINISTRATIVE IMPLICATIONS

TRD notes only minimal administrative impact. Systems changes can be completed by January 2001, but other scheduled improvements will be postponed.

AW/gm