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FISCAL IMPACT REPORT

ORIGINAL DATE 2/02/06

SPONSOR Arnold-Jones LAST UPDATED _____ HB 386

SHORT TITLE Abandoned Property Tax Changes SB _____

ANALYST Earnest

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
NONE	NONE		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

House Bill 386 would amend the unclaimed property statutes to:

- Require holders of more than 25 unclaimed properties to file electronic reports on the properties with the Taxation and Revenue Department;
- Allow the Taxation and Revenue Department to sell unclaimed property by methods other than a public auction; and
- Increase from 2 years to 4 years the time period an owner has to locate property before a finder can charge a finders' fee.

FISCAL IMPLICATIONS

None identified.

SIGNIFICANT ISSUES

According to TRD, the electronic filing requirements will eliminate paper and minimize the costs

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associated with processing and recording paper reports. The authorization to sell properties by other means will allow the department to advertise the sale of property to a broader market and ease the administrative burden of converting property into cash.

COMPANIONSHIP

House Bill 386 and Senate Bill 523, are duplicate measures.

BE/mt