

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 428** HLS 19RS 852
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 25, 2019 9:06 AM	Author: DWIGHT
Dept./Agy.: Tax Appeals	Analyst: Benjamin Vincent
Subject: Tax Appeals: Authority to Expand Jurisdiction	

TAX APPEALS/BOARD OR SEE FISC NOTE GF RV Page 1 of 1
 (Constitutional Amendment) Extends the jurisdiction of the Board of Tax Appeals to matters concerning the constitutionality of taxes and fees

Present constitution authorizes the legislature to provide a remedy for prompt recovery of an illegal tax paid by a taxpayer.

Proposed amendment additionally authorizes the legislature to provide a remedy for an unconstitutional tax paid by a taxpayer, and provides that jurisdiction of the Board of Tax Appeals (BTA) may be extended to matters concerning the constitutionality of taxes or fees by a law enacted by a two-thirds vote of each house of the legislature.

Proposed law provides for the proposed amendment to be submitted to voters at a statewide election to be held October 12, 2019.

EXPENDITURES	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

BTA reports no administrative costs associated with the amendment. However, to the extent that increased responsibility due to the eventual expanded jurisdiction contemplated by the amendment and any associated bills requires additional resources, fee revenue and general fund expenditures in support of BTA proceedings may increase.

REVENUE EXPLANATION

Proposed amendment authorizes the legislature to expand the available opportunities for remedies for unconstitutional taxes paid. The effect of expanded BTA jurisdiction on net revenue collections is speculative. Presumably, additional avenues for taxpayer remedies in tax disputes ultimately works to reduce net collections, but that also depends on determinations by the BTA.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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