

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 428** HLS 19RS 852

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 6, 2019	12:41 PM	Author: DWIGHT
Dept./Agy.: Tax Appeals		Analyst: Benjamin Vincent
Subject: Tax Appeals: Authority to Expand Jurisdiction		

TAX APPEALS/BOARD EN SEE FISC NOTE GF EX See Note 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 an illegal tax paid by a taxpayer.

Proposed amendment 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) shall have jurisdiction over all matters related to state and local taxes or fees or other claims against the state as provided by law. Proposed amendment provides that BTA jurisdiction may be extended to matters concerning the constitutionality of taxes or fees by enacting a law passed by a two-thirds vote of each house of the legislature.

Proposed law provides that the proposed amendment will be submitted to voters at a statewide election on October 12, 2019. Accompanying statutory legislation contained in HB 583 would become effective January 1, 2020, provided that proposed amendment is adopted by voters.

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

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

EXPENDITURE EXPLANATION

BTA reports minor administrative costs associated with expanded jurisdiction contemplated by proposed amendment and accompanying legislation, including additional Board additional transcriptionist and records services. BTA reports that these will primarily be funded via increased filing fee and appeal record fee collections due to an anticipated increase in filings. While additional specific resource needs are speculative at this time, general fund expenditures and fee revenue expenditures are anticipated to increase consistent with the expanded jurisdiction of the Board contemplated by the bill.

REVENUE EXPLANATION

To the extent that additional claims are filed due to expanded jurisdiction, fees and self-generated revenues will increase.

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.

These effects are reflected in the fiscal note accompanying the Enrolled legislation that implements statutory language in HB 583 of the Regular Session of 2019.

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}

Gregory V. Albrecht
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Chief Economist