

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 525** SLS 10RS 882

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 15, 2010	10:26 AM	Author: MURRAY
Dept./Agy.: Revenue		Analyst: Deborah Vivien
Subject: Requires professional teams/athletes to file electronically		

REVENUE DEPARTMENT

EN NO IMPACT GF EX See Note

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Authorizes the Secretary of the Department of Revenue to require electronic filing of returns and reports by professional athletic teams or professional athletes associated with administering the Sports Facility Assistance Fund. (8/15/10)

Current law gives the Secretary of the Department of Revenue the discretion to require any composite income tax forms submitted by professional athletic teams to be filed electronically. All income taxes collected by the state attributable to the income of nonresident athletes and professional sports franchises is deposited into the Sports Facility Assistance Fund for use for maintenance, upgrades, etc., for the facility in which the sport is played. In the case of the NFL proceeds, the fund may be used for stadium development, development and promotion of the LA Stadium and Exposition District and for payment of contractual obligations of the district.

Proposed law requires any forms or reports submitted by professional athletic teams or non-resident athletes related to the administration of the Sports Facility Assistance Fund to be filed electronically. The bill is effective for tax periods beginning on or after December 31, 2009.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
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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>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. According to the Department of Revenue, the forms required of professional athletic teams and nonresident athletes that provide information to ensure the proper deposits to the Sports Facility Assistance Fund are already available electronically and will require no additional resources to become operational. The Department reports that there has been confusion about the appropriate form that nonresident professional athletes must file resulting in additional processing and penalty collection workload. The Department expects this measure will help alleviate that confusion and reduce the effort required to process and account for the collections that must flow to the Sports Facility Assistance Fund.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. It is expected that taxpayers are ultimately paying what is owed, regardless of the filing mechanism, and the correct amounts are being deposited to the Sports Facility Assistance Fund, although some improved compliance and accounting is possible.

Senate

Dual Referral Rules

House

- 13.5.1 >= \$100,000 Annual Fiscal Cost
- 13.5.2 >= \$500,000 Annual Tax or Fee Change

- 6.8(F) >= \$100,000 Annual SGF Cost
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Gregory V. Albrecht
Chief Economist