

# Fiscal Note

State of Alaska  
2016 Legislative Session

Bill Version: HB 375  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB375-DOR-TAX-4-9-16  
Title: ELECTRONIC TAX RETURNS & REPORTS  
Sponsor: LABOR & COMMERCE  
Requester: House Finance Committee

Department: Department of Revenue  
Appropriation: Taxation and Treasury  
Allocation: Tax Division  
OMB Component Number: 2476

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>	***		***	***	***	***	***
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**Estimated SUPPLEMENTAL (FY2016) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2017) cost:** 0.0 (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/17

## Why this fiscal note differs from previous version:

Initial version

Prepared By: Ken Alper, Director  
Division: Tax Division  
Approved By: Jerry Burnett, Deputy Commissioner  
Agency: Department of Revenue  
Phone: (907)465-8221  
Date: 04/09/2016 02:00 PM  
Date: 04/09/16

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2016 LEGISLATIVE SESSION

BILL NO. HB375

### Analysis

HB375 requires electronic submission of all tax returns and reports, for all taxes administered by the Department of Revenue. The bill establishes a process to request an exemption to this requirement, based on providing evidence that the taxpayer does not have the capability to submit the return or report electronically. The bill provides for a penalty of \$25 or one percent of tax owed, for failing to file electronically without a waiver. It also makes conforming changes within several other tax statutes to describe changes to the filing requirement. Alaska's taxpayers in all cases are businesses, not individuals.

We anticipate an indeterminate amount of additional revenue based on the \$25 penalty, and no costs to implement the changes in this bill. Over time, increased electronic filing should increase the overall efficiency of Tax Davison operations.