

Fiscal Note

State of Alaska
2015 Legislative Session

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| Bill Version: | CSHB 88(FIN) |
| Fiscal Note Number: | 2 |
| (H) Publish Date: | 4/9/2015 |

Identifier: HB88-DOR-TAX-1-16-15
 Title: FEES FOR TIRES
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: House Finance

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)

| | FY2016 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|----------------|----------------|----------------|----------------|
| | Appropriation Requested | Governor's FY2016 Request | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| OPERATING EXPENDITURES | FY 2016 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Fund Source (Operating Only)

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

| | | | | | | | |
|---------------------------|--------|--|--|--|--|--|--|
| Change in Revenues | (35.3) | | | | | | |
|---------------------------|--------|--|--|--|--|--|--|

Estimated SUPPLEMENTAL (FY2015) cost: 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/15

Why this fiscal note differs from previous version:

This version provides a more accurate loss of revenue than the initial version.

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 Agency: Department of Revenue

Phone: (907)465-4773
 Date: 03/12/2015 02:00 PM
 Date: 03/12/15

**REPORTED OUT OF
HFC 04/09/2015**

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

Analysis

The tire fee return and payments are currently due 30 days following the last day of the calendar quarter. For three calendar quarters, the return and payment are due prior to the last day of the month. This has caused confusion for taxpayers and caused them to file and pay late. Filing and paying late has resulted in a loss of the timely payment credit and the assessment of penalties and interest.

This bill would align the due date of the return and payment with other tax types that have the due date as the last day of the month and would eliminate confusion regarding the due date.

This legislation will not require additional positions or resources.

Fiscal impact:

We estimate \$5.0 loss of GF revenue from a decrease in tax, penalty and interest as a result of filing and paying on time:

- Timely pay credit loss-\$2.5
- Penalty-\$2.5
- Interest-less than \$50 dollars