

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version:	CSHB 375(FIN)
Fiscal Note Number:	1
(H) Publish Date:	4/12/2016

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	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2017 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
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							
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	***		***	***	***	***	***
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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 If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/17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

REPORTED OUT OF
HFC 04/12/2016

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION**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.