

HB

1017

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH S
JUNEAU, ALASKA 99811
PHONE: (907) 465-2300

May 7, 1980

The Honorable Charles Parr
Chairman
House Judiciary Committee
Room 124 - Capitol Building
Juneau, Alaska 99811


Dear Mr. Parr:

Re: House Bill No. 1017

House Bill No. 1017, an Act annulling 15 AAC 05. 400 (6), was introduced in the House on April 22, 1980 and was referred to the House Judiciary Committee.

For the consideration of the House Judiciary Committee, I am enclosing a copy of a Fiscal Note prepared by Gary Jenkins, Director, Audit Division of the Department of Revenue concerning the proposed legislation.

Sincerely,



R. D. Stevenson
Special Assistant

cc: Joseph K. Donohue
Deputy Commissioner
Department of Revenue

Gary Jenkins, Director
Audit Division
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST HB 1017
 Bill/Resolution No. HB 1017
 Title An Act annulling 15 AAC 05.400(c) and Providing for an Effective
 Requested by House Judiciary Committee Date 4/28/80 Date

II. FISCAL DETAIL
 Agency Affected Department of Revenue
 Program Category Affected Revenue Collection and Management
 BRU, Program, or Subprogram(s) Affected Audit Division
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		185,347	185,347	185,347	185,347	185,347
200 TRAVEL		27,500	27,500	27,500	27,500	27,500
300 CONTRACTUAL		18,960	18,960	18,960	18,960	18,960
400 COMMODITIES		2,700	2,700	2,700	2,700	2,700
500 EQUIPMENT		7,200	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		241,707	234,507	234,507	234,507	234,507

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND		241,707	234,507	234,507	234,507	234,507
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME		6	6	6	6	6
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See attached memorandum to R. D. Stevenson

IV. DATE 5/6/80 PREPARED BY Gary L. Jenkins
 AGENCY Department of Revenue
 PHONE 465-2321
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

MEMORANDUM

State of Alaska

TO: R. D. Stevenson
Special Assistant
Commissioner's Office

DATE: May 1, 1980

FILE NO:

TELEPHONE NO: 465-2321

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: House Bill No. 1017

The impact of eliminating a ceiling on bingo prizes will create additional tax compliance problems for the following reasons:

1. The established bingo houses will become more competitive in the offerings of prizes. This competition will drive the value of the prizes upward.
2. The chance to win will bring additional Revenues to the houses because the possibility of winning a big prize will attract more players.
3. This possibility of high revenues will entice more "non-profit organizations" to participate in bingo games. Increased revenues from games and more participating organizations will increase compliance work.

This compliance work will entail additional audit work to insure that each participating organization is operating as a qualified organization, that the money is being used for a charitable reason, and that each large prize winner is properly reporting this prize as required by law.

The increased activity in this area will put additional demands that cannot be absorbed by the current staff.

The increased audit work will require the following positions:

- 2 Revenue Auditor I
- 2 Revenue Auditor II
- 1 Clerk Typist III
- 1 Criminal Tax Investigator I

1	POSITION TITLE Clerk III				RANGE/STEP 8A	BARG. UNIT. G	LOCATION	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.		

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES: SALARY	14,984
5	BENEFITS	2,228
6	FICA	996
7	HEALTH INS.	1,524
8	TOTAL PERSONAL SERVICES	19,732
9	TRAVEL	
10	CONTRACTUAL	3,160
11	COMMODITIES	450
12	EQUIPMENT	1,200
13	OTHER	
14	TOTAL COST	24,542

JUSTIFICATION:

	CODE	FUNDING SOURCE
15		FED RCPTS.
16		GF MATCH.
17		GEN. FUND
18		I-A RCPTS.
19		PGM RCPTS
20		OTHER

21	CONTINUATION		FOR B&M USE ONLY
22	ADDITION	X	

1A KEY NUMBER _____ COLUMN NO. _____

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1	POSITION TITLE Revenue Auditor I			RANGE/STEP 14 A	BARG. UNIT. G	LOCATION	GOV	APPROV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG	
3	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
4	PERSONAL SERVICES: SALARY		22,089						
5	BENEFITS		3,285						
6	FICA		1,469						
7	HEALTH INS.		1,524						
8	TOTAL PERSONAL SERVICES		28,367						
9	TRAVEL		5,500						
10	CONTRACTUAL		3,160						
11	COMMODITIES		450						
12	EQUIPMENT		1,200						
13	OTHER								
14	TOTAL COST		38,677						
	CODE	FUNDING SOURCE							
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND 38,677							
18		I-A RCPTS.							
19		PGM RCPTS							
20		OTHER							
21	CONTINUATION								
22	ADDITION		X FOR B&M USE ONLY						
4A KEY NUMBER _____ COLUMN NO. _____									

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1	POSITION TITLE Revenue Auditor I			RANGE/STEP 14 A	BARG. UNIT. G	LOCATION	GOV	APPROV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG	

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES: SALARY	22,089
5	BENEFITS	3,285
6	FICA	1,469
7	HEALTH INS.	1,524
8	TOTAL PERSONAL SERVICES	28,367
9	TRAVEL	5,500
10	CONTRACTUAL	3,160
11	COMMODITIES	450
12	EQUIPMENT	1,200
13	OTHER	
14	TOTAL COST	38,677

JUSTIFICATION:

	CODE	FUNDING SOURCE
15		FED RCPTS.
16		GF MATCH.
17		GEN. FUND
18		I-A RCPTS.
19		PGM RCPTS
20		OTHER

21 CONTINUATION

22 ADDITION FOR B&M USE ONLY

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1	POSITION TITLE Revenue Auditor II			RANGE/STEP 16A	BARG. UNIT. G	LOCATION	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM #2	PAGE/LINE	LEG.	

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES: SALARY	26,538
5	BENEFITS	3,946
6	FICA	1,765
7	HEALTH INS.	1,524
8	TOTAL PERSONAL SERVICES	33,773
9	TRAVEL	5,500
10	CONTRACTUAL	3,160
11	COMMODITIES	450
12	EQUIPMENT	1,200
13	OTHER	
14	TOTAL COST	44,083

JUSTIFICATION:

	CODE	FUNDING SOURCE
15		FED RCPTS.
16		GF MATCH.
17		GEN. FUND
18		I-A RCPTS.
19		PGM RCPTS
20		OTHER

21	CONTINUATION	
22	ADDITION	

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1	POSITION TITLE Revenue Auditor II			RANGE/STEP 15A	BARG. UNIT. G	LOCATION	GOV	APPROV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG	
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:			
	1	2	3						
4	PERSONAL SERVICES: SALARY		26,538						
5	BENEFITS		3,946						
6	FICA		1,765						
7	HEALTH INS.		1,524						
8	TOTAL PERSONAL SERVICES		33,773						
9	TRAVEL		5,500						
10	CONTRACTUAL		3,160						
11	COMMODITIES		450						
12	EQUIPMENT		1,200						
13	OTHER								
14	TOTAL COST		44,083						
	CODE	FUNDING SOURCE							
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND		44,083					
18		I-A RCPTS.							
19		PGM RCPTS							
20		OTHER							
21	CONTINUATION		FOR B&M USE ONLY						
22	ADDITION								
4A KEY NUMBER _____ COLUMN NO. _____									

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1	POSITION TITLE Criminal Tax Investigator I			RANGE/STEP 19A	BARG. UNIT. G	LOCATION	GOV	APPROV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:			
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY		32,934						
5	BENEFITS		4,897						
6	FICA		1,980						
7	HEALTH INS.		1,524						
8	TOTAL PERSONAL SERVICES		41,335						
9	TRAVEL		5,500						
10	CONTRACTUAL		3,160						
11	COMMODITIES		450						
12	EQUIPMENT		1,200						
13	OTHER								
14	TOTAL COST		51,645						
	CODE	FUNDING SOURCE							
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND		51,645					
18		I-A RCPTS.							
19		PGM RCPTS							
20		OTHER							
21	CONTINUATION								
22	ADDITION		FOR B&M USE ONLY						
1A KEY NUMBER _____ COLUMN NO. _____									

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