

Fiscal Estimate - 2009 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-2335/2	Introduction Number AB-0290
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Description
 Licensing tax preparers, prohibiting making or arranging certain refund anticipation loans, providing an exemption from emergency rule procedures, granting rule-making authority, making an appropriation, and providing penalties

Fiscal Effect

State:

- | | | |
|--|--|---|
| <input type="checkbox"/> No State Fiscal Effect
<input type="checkbox"/> Indeterminate
<input type="checkbox"/> Increase Existing Appropriations
<input type="checkbox"/> Decrease Existing Appropriations
<input checked="" type="checkbox"/> Create New Appropriations | <input type="checkbox"/> Increase Existing Revenues
<input type="checkbox"/> Decrease Existing Revenues | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Decrease Costs |
|--|--|---|

Local:

- | | | |
|--|--|--|
| <input type="checkbox"/> No Local Government Costs
<input type="checkbox"/> Indeterminate
1. <input type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenue
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
4. <input type="checkbox"/> Decrease Revenue
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Government Units Affected
<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Counties <input type="checkbox"/> Others
<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
|--|--|--|

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.566(1)(hc)	

Agency/Prepared By	Authorized Signature	Date
DOR/ Bradley Caruth (608) 261-8984	Rebecca Boldt (608) 266-6785	8/31/2009

Fiscal Estimate Narratives

DOR 8/31/2009

LRB Number	09-2335/2	Introduction Number	AB-0290	Estimate Type	Original
Description Licensing tax preparers, prohibiting making or arranging certain refund anticipation loans, providing an exemption from emergency rule procedures, granting rule-making authority, making an appropriation, and providing penalties					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department of Revenue (DOR) to promulgate rules prohibiting a person from acting as a tax preparer without a license issued by DOR. Tax preparer is defined to include licensed certified public accountants and attorneys but does not include individuals who are employed by corporate trustees, banks, or trust companies and who are authorized to provide fiduciary services. The DOR rules must specify license qualifications, establish a license fee, and require periodic renewal of licenses. The rules may also impose other requirements and procedures that DOR deems necessary. The rules must prohibit a person issued a license from making a refund anticipation loan (RAL) or acting in any manner to facilitate the making of such a loan.

The DOR expects one-time costs of \$68,100 and on-going annual costs of \$98,300 to administer the bill. These costs will fall under the new appropriation created in the bill.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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Description Licensing tax preparers, prohibiting making or arranging certain refund anticipation loans, providing an exemption from emergency rule procedures, granting rule-making authority, making an appropriation, and providing penalties			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): 57,000 salary and fringe and \$11,100 in supplies and services			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$89,800	\$
(FTE Position Changes)		(1.5 FTE)	
State Operations - Other Costs		8,500	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$98,300	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS (20.566(1)(hc))		98,300	
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$98,300	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
DOR/ Bradley Caruth (608) 261-8984		Rebecca Boldt (608) 266-6785	8/31/2009