

2007 DRAFTING REQUEST

Senate Amendment (SA-SSA1-SB40)

Received: **06/15/2007**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Shanovich(RR)**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Other - sales**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

LFB:.....Shanovich (RR) -

Topic:

Filing fee for sales tax returns

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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/1	jkreye 06/15/2007	wjackson 06/15/2007	rschluet 06/18/2007	_____	sbasford 06/18/2007		

FE Sent For:

<END>

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jkreye

1 WJ 6/15



FE Sent For:

<END>

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

6-15-07

For Manuscript SDC

filing fee for rules not returned

#2 688 paper

DOH rules for adm. use fee

limit to \$5 per return

taxes due, as compensation for administrative costs, equal to the greater of \$10 or 0.5% of the tax liability per reporting period, but not more than the amount of tax actually payable. Imposing the paper return filing fee would offset a portion of the retailer's discount and increase administrative costs the discount is designed to reduce. Businesses that must obtain sellers permits already pay an initial \$20 business tax registration fee, and the \$10 renewal fee every two years. Businesses filing paper returns might be forced to purchase software or other filing services from private vendors. A 2005 study of small businesses conducted by the National Federation of Independent Business ("NFIB National Small Business Poll, The State of Technology") indicated that 32% of respondents did not employ high-speed Internet in their business. The study notes that "the data suggest that most small businesses have relatively limited technological capabilities." Finally, paper returns filed by individuals and businesses for any of the other state taxes, including individual income, corporate income and franchise, excise, and utility taxes are not subject to a fee.

13. If the Committee chooses to approve the Governor's recommendation, it may wish to require the Department to promulgate rules for administering the fee, and that the rules limit the fee to \$5 per return.

ALTERNATIVES TO BILL

1. Adopt the Governor's recommendation to authorize DOR to impose a filing fee on sales tax returns that are filed on paper beginning for returns that were filed for the calendar quarter ending on September 30, 2007.

ALT 1	Change to Bill Revenue	Change to Base Revenue
GPR	\$0	\$5,600,000

2. Adopt the Governor's recommendation, but require the Department to promulgate administrative rules for administering the sales and use tax paper return fee, and that such rules limit the fee to \$5 per return.

ALT 2	Change to Bill Revenue	Change to Base Revenue
GPR	\$0	\$5,600,000

3. Delete provision.

ALT 3	Change to Bill Revenue	Change to Base Revenue
GPR	-\$5,600,000	\$0

Prepared by: Ron Shanovich

DOA:.....Easton, BB0351 - Charge a filing fee for sales tax returns filed on paper

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

1148 215
after "paper."

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

This bill allows DOR to charge a filing fee for sales tax returns that are submitted to DOR on paper.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 SECTION 1. 77.58 (9) of the statutes is created to read:

3 77.58 (9) The department may require a filing fee for sales tax returns that are
4 filed on paper.

5 SECTION 9341. Initial applicability; Revenue.

The department shall promulgate rules to administer this subsection and the rules shall provide that the filing fee under this subsection shall not exceed \$5 for each return filed on paper.



State of Wisconsin
2007 - 2008 LEGISLATURE

LRBb0344/1

JK:.....

WJ

LPS:
Please fix
request sheet

LFB:.....Shanovich(RR) - Filing fee for sales tax returns

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

SENATE AMENDMENT ,

TO SENATE SUBSTITUTE AMENDMENT 1,

TO 2007 SENATE BILL 40

in 6-15-07

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 1148, line 15: after "paper." insert "The department shall promulgate

3 rules to administer this subsection and the rules shall provide that the filing fee

4 under this subsection shall not exceed \$5 for each return filed on paper."

5 (END)

