

Fiscal Estimate - 2007 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-1674/1	Introduction Number AB-0166
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Description
 Relating to: information obtained by a tax preparer in the course of preparing a client's tax return

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase 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"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	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
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.115(1)(a)	

Agency/Prepared By DATCP/ Michelle Reinen (608) 224-5160	Authorized Signature Barb Knapp (608) 224-4746	Date 3/13/2007
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Fiscal Estimate Narratives

DATCP 3/14/2007

LRB Number	07-1674/1	Introduction Number	AB-0166	Estimate Type	Original
Description Relating to: information obtained by a tax preparer in the course of preparing a client's tax return					

Assumptions Used in Arriving at Fiscal Estimate

This bill would prohibit a tax preparer or an entity that employs tax preparers from disclosing information obtained in the course of preparing a client's tax refund, unless the tax preparer or entity disclosed the parties to whom the tax preparer or entity intends to disclose the information, and the client consents in writing.

Approximately 1.1 million tax documents are filed annually by tax preparers in Wisconsin. It is assumed that 2% of tax filers would contact the department to report a problem which would result in an increase of 22,000 consumer calls. Of those calls, 1,100 formal written complaints would be filed, resulting in approximately 100 in-depth investigations.

The department has determined that processing the increase in telephone calls and written complaints will take approximately 2500 hours and the investigations will take an additional 1500 hours. Therefore, the department anticipated an additional 2.0 FTEs will be necessary in the Office of Privacy Protection to process the increase in compliance efforts.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

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Description Relating to: information obtained by a tax preparer in the course of preparing a client's tax return			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Office setup, desks, telephones, computers, and supplies \$20,000.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$104,900	\$
	(FTE Position Changes)	(2.0 FTE)	
	State Operations - Other Costs	25,000	
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$129,900	\$
B. State Costs by Source of Funds			
	GPR	129,900	
	FED		
	PRO/PRS		
	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	\$129,900	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By			
DATCP/ Michelle Reinen (608) 224-5160		Authorized Signature	Date
		Barb Knapp (608) 224-4746	3/13/2007