

**FISCAL ESTIMATE FORM**

**1999 Session**

- ORIGINAL     UPDATED  
 CORRECTED     SUPPLEMENTAL

<b>LRB #</b> 99-3526/6
<b>INTRODUCTION #</b> SB 480
<b>Admin. Rule #</b>

**Subject**  
**Taxpayer Bill of Rights**

**Fiscal Effect**

- State:**  No State Fiscal Effect  
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation
- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues | <input checked="" type="checkbox"/> Increase Costs - May be Possible to Absorb<br>Within Agency's Budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><br><input type="checkbox"/> Decrease Costs |
| <input type="checkbox"/> Decrease Existing Appropriation | <input type="checkbox"/> Decrease Existing Revenues |   |
| <input type="checkbox"/> Create New Appropriation        |   |   |

**Local:**  No Local Government Costs

- |  |  |  |
|--|--|--|
| 1. <input type="checkbox"/> Increase Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br><br>2. <input type="checkbox"/> Decrease Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br><br>4. <input type="checkbox"/> Decrease Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Governmental Units Affected:<br><input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others _____<br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
|--|--|--|

**Fund Sources Affected**

- GPR  FED  PRO  PRS  SEG  SEG-S

**Affected Ch. 20 Appropriations**

20.566 (1)(a)

**Assumptions Used in Arriving at Fiscal Estimate:**

The bill makes the following changes to state tax law that, unless otherwise indicated, will have no effect on state tax collections or administration:

- ◆ Wisconsin provisions for providing relief to innocent spouses from payments of taxes on a joint return are conformed to the federal innocent spouse provisions, except time limits within which a spouse may file for relief are lacking.
- ◆ The Department of Revenue (DOR) is required to verify the results of a field audit in which an assessment has been made using an income reconstruction method different from the method used in making the assessment. To satisfy this requirement, the Department would need to hire 1.5 field auditors at an annual cost of \$87,800, plus development costs of \$18,800.
- ◆ Payment of a compromise with a delinquent taxpayer unable to make full payment of delinquent income and franchise taxes may be made through a schedule in which payment is made within a one-year period. Currently the compromise must be paid within ten days. The bill may alter the timing of payments and, by providing a longer time period for payments, may permit the payment of larger amounts under compromises. However, the effect on state tax collections is not expected to be significant.
- ◆ DOR is allowed to compromise the payment of nondelinquent taxes when the taxpayer is unable to pay the full amount. Currently, compromise is permitted only for delinquent taxes. The bill may permit some payments that would not otherwise be made, but is not expected to have a significant effect on state tax collections.

(continued on page two)

**Long-Range Fiscal Implications:**

<b>Agency/Prepared by: (Name &amp; Phone No.)</b>	<b>Authorized Signature/Telephone No.</b>	<b>Date</b>
Wisconsin Department of Revenue Dennis Collier, (608) 266-5773	Yeang-Eng Braun (608) 266-2700 <i>Yeang Eng Braun</i>	3/20/00

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- DOR is required to ensure its employees treat the public courteously, distribute information about state tax law, provide assistance in the filing of tax forms, ensure fair treatment to taxpayer is during audits and provide reasonable tax collection arrangements for taxpayers with outstanding liability.
- DOR is permitted to allow for electronic filing of tax returns and electronic payment of taxes.
- Taxpayers being interviewed in person by a DOR employee about a tax assessment or collection are allowed to tape record the interview, if the DOR employee is informed that the interview is being recorded. Assuming that all field revenue agents and auditors would need to be equipped with tape recorders in order to record meetings that taxpayers are recording, the department would incur one-time costs of \$17,500.

47B 3/20/00

**FISCAL ESTIMATE WORKSHEET**

ORIGINAL     UPDATED  
 CORRECTED     SUPPLEMENTAL

Detailed Estimate of Annual Fiscal Effect

**1999 Session**

**LRB # 99-3526/6**

**Admin. Rule #**

**INTRODUCTION # SB 480**

**Subject**  
**Taxpayer Bill of Rights**

**I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**

\$36,300 in FY01

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringe	\$ 87,800	\$ -
(FTE Position Changes)	(1.5 FTE)	(- FTE)
State Operations-Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
<b>TOTAL State Costs by Category</b>	<b>\$ 87,800</b>	<b>\$ -</b>
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$ 87,800	\$ -
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		-
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$ -</b>

**NET ANNUALIZED FISCAL IMPACT**

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ +87,800	\$
NET CHANGE IN REVENUES	\$	\$

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