

1999 DRAFTING REQUEST

Assembly Amendment (AA-AB133)

Received: **06/13/99**

Received By: **jkreye**

Wanted: **Today**

Identical to LRB:

For: **Legislative Fiscal Bureau 6-8849**

By/Representing: **Shanovich**

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

Drafter: **jkreye**

May Contact:

Alt. Drafters:

Subject: **Tax - miscellaneous
Tax - sales**

Extra Copies:

Pre Topic:

LFB:.....Shanovich -

Topic:

Delinquent tax collections; instalment agreements; court costs; filing fee

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>
/1	jkreye 06/13/99	chanaman 06/13/99	mclark 06/13/99	_____	lrb_docadmin 06/14/99		
	jkreye 06/14/99	chanaman 06/14/99		_____			
/2			martykr 06/14/99	_____	lrb_docadmin 06/14/99		

FE Sent For:

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cm4
km6
Am14
Am14

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/1	jkreye	CMM /1 6/13	MR6 6/13	KSH/ES 6/13			

FE Sent For:

<END>



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53701 • (608) 266-3847 • Fax: (608) 267-6873

Date: June 13 1999

DELIVER TO: Joe Kreye

Addressee Fax #: 264-6948 Addressee Phone #: _____

of Pages, Including Cover: 2 Sender's Initials: _____

From: Ron Shanovich

Message:

20.566 (1) (hq)
delete appropriation

Joint Finance: Approve the Governor's recommendation. In addition, delete \$10,833,300 PR and 174.0 PR positions annually and provide \$13,053,100 GPR in 1999-00, \$11,203,300 GPR in 2000-01 and 174.0 GPR positions to convert the funding source for the DTC from PR to GPR. Provide that delinquent tax collection fees be placed in the general fund as GPR-Earned. In addition, (a) provide \$50,000 GPR in 1999-00 and \$209,600 GPR in 2000-01 for the Department to purchase predictive dialer technology; (b) provide \$468,600 GPR in 2000-01 in 1999-00 and \$499,700 GPR in 2000-01 and 10.0 revenue agent positions each year; (c) provide \$20,000 GPR in 2000-01 and charge delinquent taxpayers for costs incurred for court actions that are related to collection of delinquent taxes; and (d) provide \$10,000 GPR in 2000-01 and authorize the Department to charge a \$20 fee for installment agreements with delinquent taxpayers. In total, this alternative would delete \$10,833,300 PR and 174.0 PR positions annually and provide \$13,571,700 GPR in 1999-00, \$11,942,600 GPR in 2000-01 and 184.0 GPR positions each year. In addition, GPR-Earned would increase by an estimated \$12,430,600 in 1999-00 and \$12,190,200 in 2000-01; GPR tax revenues would increase by an estimated \$8,944,500 in 2000-01.

14. DEBT COLLECTION APPLICATIONS DEVELOPMENT

Governor/Joint Finance: Provide \$55,300 in 1999-00 and \$54,100 in 2000-01 and 1.0 information systems analyst position to make enhancements to the computer system that supports the refund interception program. The position would make improvements to the computer system and prepare it for merger into the Department's integrated tax system. Under the refund interception program, the Department deducts debts owed to state and local government agencies from tax refunds and lottery winnings.

	Funding Positions	
PR	\$109,400	1.00

15. FUNDING ADJUSTMENT FOR WISCONSIN/ILLINOIS BENCHMARK STUDY

Governor/Joint Finance: Delete \$126,200 in 1999-00 and \$180,500 in 2000-01 to adjust the funding level for the Wisconsin/Illinois reciprocity benchmark study to the amounts required to complete the study.

PR	- \$306,700
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The provisions of 1997 Wisconsin Act 63 authorized funding to conduct a benchmark study to determine payments under the individual income tax reciprocity agreement with Illinois. Under the agreement, residents of one state are not subject to the other state's income tax on income earned in that state. The agreement requires payments for the amount of revenue loss that results from one state's residents being taxed in the other state. Act 63 provided the Department with one-time funding of \$74,300 PR and base funding of \$231,200 PR in 1998-99 to conduct a benchmark study to determine reciprocity payments over a three-year period. The source of revenue for the PR appropriation is a separate GPR appropriation under miscellaneous appropriations. This provision reduces base level funding for the benchmark study in 1999-00 and 2000-01 to the amounts that will be required to complete the study.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0686/1

JK:.....

cmH

in 6-13-99

LFB:.....Shanovich – Delinquent tax collections; instalment agreements;
court costs; filing fee

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

Today

1 At the locations indicated, amend the bill as follows:

2 1. Page 467, line 23: after that line insert:

3 "SECTION 594m. 20.566 (1) (hq) of the statutes is renumbered 20.566 (1) (b) and
4 amended to read:

5 20.566 (1) (b)⁹¹ *Delinquent tax collection fees. All moneys received from the fees*
6 ~~collected under s. 73.03 (33m) and under 1997 Wisconsin Act 237, section 9142 (1)~~
7 ~~(h), The amounts in the schedule to pay costs incurred by the department of revenue~~
8 ~~in collecting delinquent taxes."~~

9 2. Page 901, line 25: after that line insert:

10 "SECTION 1797m. 73.03 (33m) of the statutes is amended to read:

1 73.03 (33m) To collect, as taxes under ch. 71 are collected, from each person
 2 who owes to the department of revenue delinquent taxes, fees, interest or penalties,
 3 a fee for each delinquent account equal to \$35 or 6.5% of the taxes, fees, interest and
 4 penalties owed as of the due date specified in the assessment, notice of amount due
 5 or notice of redetermination on that account, whichever is greater. The department
 6 of revenue shall deposit in ^{to} the general fund as general purpose revenue—earned all
 7 fees collected under this subsection.

8 ~~SECTION 1797p.~~ 73.03 (33p) of the statutes is created to read:

9 73.03 (33p) To collect, as taxes under ch. 71 are collected, from each person who
 10 owes to the department of revenue delinquent taxes, fees, interest or penalties, a \$20
 11 fee for each delinquent taxpayer who enters into an agreement with the department
 12 of revenue to pay the taxpayer's delinquent taxes, including fees, interest or
 13 penalties, in instalments and to collect costs incurred to the department of revenue
 14 for court actions that are related to the collection of delinquent taxes. The
 15 department of revenue shall deposit in ^{to} the general fund as general purpose
 16 revenue—earned all fees collected under this subsection.”

17 3. Page 908, line 20: delete “\$30” and substitute “\$20”.

18 (END)

and costs

in 6-14-99

LFB:.....Shanovich - Delinquent tax collections; instalment agreements;
court costs; filing fee

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

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5 20.566 (1) (b) *Delinquent tax collection fees.* All moneys received from the fees
6 collected under s. 73.03 (33m) and under 1997 Wisconsin Act 237, section 9142 (1)

7 (b). The amounts in the schedule to pay costs incurred by the department of revenue
8 in collecting delinquent taxes

9 2. Page 901, line 25: after that line insert:

10 "SECTION 1797m. 73.03 (33m) of the statutes is amended to read:

WPO
please
for
comment

repealed.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0686/2
JK:cmh:km

LFB:.....Shanovich - Delinquent tax collections; instalment agreements;
court costs; filing fee

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

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8 interest or penalties and to collect costs incurred to the department of revenue for
9 court actions that are related to the collection of delinquent taxes. The department
10 of revenue shall deposit into the general fund as general purpose revenue—earned all
11 fees and costs collected under this subsection.”.

12 **3.** Page 908, line 20: delete “\$30” and substitute “\$20”.

13 (END)