

Fiscal Estimate - 2007 Session

Original Updated Corrected Supplemental

LRB Number 07-2008/1	Introduction Number SB-069
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Description
 Information obtained by a tax preparer in the course of preparing a client's tax return

Fiscal Effect

State:

No State Fiscal Effect

Indeterminate

Increase Existing Appropriations
 Increase Existing Revenues
 Increase Costs - May be possible to absorb within agency's budget
 Decrease Existing Appropriations
 Decrease Existing Revenues

 Yes
 No
 Create New Appropriations

 Decrease Costs

Local:

No Local Government Costs

Indeterminate

1. Increase Costs

 3. Increase Revenue

 5.Types of Local Government Units Affected
 Permissive Mandatory
 Permissive Mandatory

 Towns Village Cities
 2. Decrease Costs

 4. Decrease Revenue

 Counties Others
 Permissive Mandatory
 Permissive Mandatory

 School Districts WTCS Districts

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	Authorized Signature	Date
DATCP/ Michelle Reinen (608) 224-5160	Barb Knapp (608) 224-4746	3/13/2007

Fiscal Estimate Narratives

DATCP 3/14/2007

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Description 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 discloses 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. Therefore, the department anticipates 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 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 Authorized Signature Date			
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