

Fiscal Estimate - 2013 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 13-3491/1	Introduction Number SB-634	
Description Procedures for establishing a claim to abandoned, intangible property and interest due on property determined to be abandoned and due to be paid or delivered to the Department of Revenue		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input checked="" type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <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 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
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		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
Agency/Prepared By DOR/ Bradley Caruth (608) 261-8984	Authorized Signature Michael Wagner (608) 266-6785	Date 3/5/2014

Fiscal Estimate Narratives

DOR 3/5/2014

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Description Procedures for establishing a claim to abandoned, intangible property and interest due on property determined to be abandoned and due to be paid or delivered to the Department of Revenue					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a person may claim an interest in abandoned, intangible property by filing a claim with the Department of Revenue (DOR). Depending on the outcome of the claim, a person aggrieved by the DOR decision or a person whose claim has not been acted upon within 90 days after its filing may bring an action to establish the claim in circuit court. If the person establishes the claim, the court shall award the person costs and reasonable attorney fees.

Under the bill, a claimant may instead petition for review of the decision or of the claim under chapter 227 of the Wisconsin Statutes, which establishes uniform procedures for the review of administrative actions and decisions. The standards under chapter 227 allow, but do not require, the award of costs and reasonable attorney fees by the court.

Current law also requires that a person who holds abandoned property must pay or deliver that property to DOR. If the property is not paid or delivered within the time required by law, DOR is required to charge interest at an annual rate of 18% from the time the property should have been paid or delivered.

Under the bill, if a holder of unclaimed property willfully neglects to turn over the unclaimed property, DOR may require the holder to pay interest at the annual rate of 12% from the time the property should have been paid or delivered.

Data are not currently available to estimate the fiscal impact of changes to the claim process, including any decrease in the award of costs and attorney fees, however the fiscal effect is expected to be minimal. Similarly, though the fiscal impact is expected to be minimal, data also are not available to determine the effect of the change in the interest rate, including the share of individuals who willfully neglect to pay or deliver abandoned property within the time required.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

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Description Procedures for establishing a claim to abandoned, intangible property and interest due on property determined to be abandoned and due to be paid or delivered to the Department of Revenue			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$		\$
B. State Costs by Source of Funds			
GPR			
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			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$See Text	\$
Agency/Prepared By		Authorized Signature	
DOR/ Bradley Caruth (608) 261-8984		Michael Wagner (608) 266-6785	
		Date	
		3/5/2014	