

2019 DRAFTING REQUEST

Bill

For: **Legislative Fiscal Bureau** Drafter: **elunder**
 By: **Sean** Secondary Drafters:
 Date: **4/6/2020** May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email: **Sean.Moran@legis.wisconsin.gov**
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Pre Topic:

No specific pre topic given

Topic:

Authority to waive interest and penalties during public health emergency

Instructions:

Permit the Secretary of the Department of Revenue to waive interest and penalties for persons that owe, but fail to remit, general fund taxes by the filing date if, in the Secretary's determination, that person failed to timely remit those taxes due to the effects of the coronavirus outbreak of 2020. Specify that this provision applies only to general fund taxes with filing dates that fall within, and interest and penalties that accrue during, the public health emergency that was declared by the Governor on March 12, 2020, including any extension of time authorized under a joint resolution by the Legislature.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	elunder 4/6/2020	swinder 4/6/2020			
/P1	elunder 4/6/2020	ccarmich 4/6/2020	mbarman 4/6/2020		State S&L

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P2	elunder 4/6/2020	wjackson 4/6/2020	mbarman 4/6/2020		State S&L

FE Sent For:

<END>



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-6123/P1
EKL:skw

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT relating to:** authority to waive interest and penalties for general fund
2 taxes during the public health emergency.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

Authority to waive interest and penalties for general fund taxes

This bill authorizes the secretary of revenue to waive, for any person who fails to remit general fund taxes by their due date, the interest and penalties that accrue during the period covered by the COVID-19 public health emergency if the due date falls within that period and the secretary determines that the person's failure is due to the effects of the COVID-19 pandemic.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1. Nonstatutory provisions.**

4 (1) **AUTHORITY TO WAIVE INTEREST AND PENALTIES FOR GENERAL FUND TAXES.** For
5 any person who fails to remit general fund taxes by the date required by law, the

1 secretary of revenue may waive any penalty or interest that accrues during the
2 applicable period if the date required by law for the remittance is during the
3 applicable period and the secretary determines that the person's failure is due to the
4 effects of the COVID-19 pandemic. For purposes of this subsection, "applicable
5 period" means the period covered by the public health emergency declared on March
6 12, 2020, by executive order 72, including any extension under s. 323.10.

7 (END)



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-6123/P2
EKL:skw&cde

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT relating to:** authority to waive interest and penalties for general fund
2 taxes during the public health emergency.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

Authority to waive interest and penalties for general fund taxes

This bill authorizes the secretary of revenue to waive, for any person who fails to remit general fund taxes by their due date, the interest and penalties that accrue during the period covered by the COVID-19 public health emergency if the due date falls within that period and the secretary determines that the person's failure is due to the effects of the COVID-19 pandemic.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1. Nonstatutory provisions.**

4 (1) **AUTHORITY TO WAIVE INTEREST AND PENALTIES FOR GENERAL FUND TAXES.** For
5 any person who fails to remit a general fund tax by the date required by law, the

SECTION 1

1 secretary of revenue may waive any penalty or interest that accrues during the
2 applicable period if the date required by law for the remittance is during the
3 applicable period and the secretary determines that the person's failure is due to the
4 effects of the COVID-19 pandemic. For purposes of this subsection, "applicable
5 period" means the period covered by the public health emergency declared on March
6 12, 2020, by executive order 72, including any extension under s. 323.10, and
7 "general fund tax" means a tax for which the revenue is deposited or expected to be
8 deposited in the general fund.

9 (END)

Barman, Mike

From: Moran, Sean
Sent: Monday, April 06, 2020 1:23 PM
To: Lunder, Erika
Subject: RE: Draft review: LRB -6123/P2

Thanks Erika!

From: Lunder, Erika <Erika.Lunder@legis.wisconsin.gov>
Sent: Monday, April 06, 2020 1:21 PM
To: Moran, Sean <Sean.Moran@legis.wisconsin.gov>; Runde, Al <Al.Runde@legis.wisconsin.gov>
Cc: Bauer Jr., Jere <Jere.BauerJr@legis.wisconsin.gov>
Subject: RE: Draft review: LRB -6123/P2

Thanks! I've made the changes and you'll receive the update draft shortly.

From: Moran, Sean <Sean.Moran@legis.wisconsin.gov>
Sent: Monday, April 6, 2020 1:04 PM
To: Runde, Al <Al.Runde@legis.wisconsin.gov>; Lunder, Erika <Erika.Lunder@legis.wisconsin.gov>
Cc: Bauer Jr., Jere <Jere.BauerJr@legis.wisconsin.gov>
Subject: RE: Draft review: LRB -6123/P2

HI ERICA, I DON'T KNOW IF THIS IS HELPFUL, BUT THIS IS HOW WE PLAN TO DESCRIBE THE PROVISION IN OUR SUMMARY. SORRY FOR THE CONFUSION (AND ALL CAPS). -SEAN

- 1.
2. **INTEREST AND PENALTIES DUE ON TAXES OWED DURING THE PUBLIC HEALTH EMERGENCY**

Permit the Secretary of the Department of Revenue to waive interest and penalties for persons that owe, but fail to remit, general fund taxes, or taxes or fees that are deposited in the transportation fund, by the filing date if, in the Secretary's determination, that person failed to timely remit those taxes due to the effects of the coronavirus outbreak of 2020. Specify that the Secretary must make this determination on a case-by-case basis. Specify that this provision applies only to general fund taxes or taxes and fees that are deposited in the transportation fund with filing dates that fall within, and interest and penalties that accrue during, the public health emergency that was declared by the Governor on March 12, 2020, by Executive Order 72, including any extension of time authorized under a joint resolution by the Legislature.

From: Runde, Al <Al.Runde@legis.wisconsin.gov>
Sent: Monday, April 06, 2020 1:01 PM
To: Moran, Sean <Sean.Moran@legis.wisconsin.gov>; Lunder, Erika <Erika.Lunder@legis.wisconsin.gov>
Cc: Bauer Jr., Jere <Jere.BauerJr@legis.wisconsin.gov>
Subject: RE: Draft review: LRB -6123/P2

Erica, make it taxes and fees deposited to the transportation fund.

From: Moran, Sean <Sean.Moran@legis.wisconsin.gov>
Sent: Monday, April 06, 2020 12:53 PM
To: Lunder, Erika <Erika.Lunder@legis.wisconsin.gov>
Cc: Bauer Jr., Jere <Jere.BauerJr@legis.wisconsin.gov>; Runde, Al <Al.Runde@legis.wisconsin.gov>
Subject: FW: Draft review: LRB -6123/P2

Hi Erika,

Could we change this draft to also apply to taxes deposited in the transportation fund? In addition, could we add something into this draft that the Secretary must make the determination on a case-by-case basis (in order to avoid a blanket delay). Thanks for your help,

-Sean

504-5775

From: LRB.Legal <lrblegal@legis.wisconsin.gov>
Sent: Monday, April 06, 2020 12:43 PM
To: Moran, Sean <Sean.Moran@legis.wisconsin.gov>
Subject: Draft review: LRB -6123/P2

Following is the PDF version of draft LRB -6123/P2.

4/6

Sean, LFB (via Mike G)

Have "general fund tax" refer to a tax for which the tax revenues are (or are expected to be) deposited in the general fund

RELATING CLAUSE

After “fund” insert “and transportation fund”

ANALYSIS

Sub-sub-header: after “*fund*” insert “*and transportation fund*”

Sentence beginning “This bill”: after “general fund taxes” insert “or transportation fund taxes and fees”

Page 1, line 4

After “GENERAL FUND” insert “AND TRANSPORTATION FUND”

Page 1, line 5

Delete “general fund tax” and substitute “covered tax or fee”

Page 2, line 1

After “waive” insert “, on a case by case basis,”

Page 2, line 7

Delete “general fund tax” and substitute “covered tax or fee”

Page 2, line 7

Delete “for which the revenue” and substitute “that”

Page 2, line 8

After “fund” insert “or a tax or fee that is deposited or expected to be deposited in the transportation fund”



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-6123/P2
EKL:all

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Stays

1 **AN ACT relating to:** authority to waive interest and penalties for general fund
2 and transportation fund taxes during the public health emergency.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

Authority to waive interest and penalties for general fund and transportation fund taxes

This bill authorizes the secretary of revenue to waive, for any person who fails to remit general fund taxes or transportation fund taxes and fees by their due date, the interest and penalties that accrue during the period covered by the COVID-19 public health emergency if the due date falls within that period and the secretary determines that the person's failure is due to the effects of the COVID-19 pandemic.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1. Nonstatutory provisions.**

4 (1) AUTHORITY TO WAIVE INTEREST AND PENALTIES FOR GENERAL FUND AND
5 TRANSPORTATION FUND TAXES. For any person who fails to remit a covered tax or fee

1 by the date required by law, the secretary of revenue may waive, on a case-by-case
2 basis, any penalty or interest that accrues during the applicable period if the date
3 required by law for the remittance is during the applicable period and the secretary
4 determines that the person's failure is due to the effects of the COVID-19 pandemic.
5 For purposes of this subsection, "applicable period" means the period covered by the
6 public health emergency declared on March 12, 2020, by executive order 72,
7 including any extension under s. 323.10, and "covered tax or fee" means a tax that
8 is deposited or expected to be deposited into the general fund or a tax or fee that is
9 deposited or expected to be deposited into the transportation fund.

10

(END)