

SENATE BILL REPORT

SB 5443

As of January 27, 2009

Title: An act relating to reporting requirements of state and local tax programs.

Brief Description: Concerning the reporting requirements of state and local tax programs.

Sponsors: Senators Kastama and Hobbs.

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 1/29/09.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Staff: Jack Brummel (786-7428)

Background: In recent years, the Legislature has enacted or extended numerous tax preferences that require the reporting of information to the Department of Revenue (DOR). Although there are many similarities in the requirements, and only two distinct accountability documents, there is a lack of uniformity in the information reported, penalties for failure to file, due dates, filing extensions, and filing requirements. DOR believes that greater uniformity in the data reported is necessary to adequately compare tax preference programs.

Most tax preferences require either the legislative fiscal committees or DOR to study the tax preference and report to the Legislature at least once. Because chapter 43.136 RCW requires the Joint Legislative Audit and Review Committee, with support from DOR, to comprehensively review each tax preference every ten years and provide a report to the Legislature, the studies by the legislative fiscal committees and DOR are now superfluous.

Summary of Bill: It is stated as a legislative intent to create two sets of uniform reporting requirements that apply to the existing tax preferences and can be used in future legislation granting additional tax preferences.

The bill provides uniform accountability data requirements by creating two new sections, while repealing or amending the 17 statutes that currently impose the accountability data requirements. In addition, other statutes are amended to provide uniform definitions, application requirements, filing requirements, penalties, and extension provisions.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

DOR prepares summary descriptive statistics by category and reports the statistics to the Legislature each year.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.