

HB 2530 - DIGEST

(SEE ALSO PROPOSED 1ST SUB)

Finds that: (1) In order to make policy choices regarding the best use of limited state resources the legislature needs information to evaluate whether the continuation of existing tax preferences is in the public interest;

(2) Existing annual reports and annual surveys used to gather data from taxpayers to evaluate the effectiveness of tax incentives should be improved and consolidated into a single document to provide better information with which to evaluate the effectiveness of tax preferences, provide greater consistency for taxpayers, and simplify administration for the department of revenue; and

(3) The process for evaluating tax preferences would be strengthened by establishing a five-year expiration date for those tax preferences enacted by the legislature in the future that are subject to the annual survey; and by requiring that when the joint legislative audit and review committee recommends that a tax preference be modified or terminated immediately, the committee must include in its report to the legislative fiscal committees draft legislation to implement the recommendation.