

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 23, 2017

Agency Submitting: Department of Taxation

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Effect on Future Biennia
Tax Examiner 2 position (Expense)		\$55,184	\$65,017	\$137,743
Total	0	\$55,184	\$65,017	\$137,743

Explanation

(Use Additional Sheets of Attachments, if required)

Please see attached.

Name Deonne Contine

Title Executive Director

DEPARTMENT OF ADMINISTRATION'S COMMENTS

Date Thursday, February 23, 2017

The agency's response appears reasonable.

Name Laura Freed

Title Executive Budget Officer

DESCRIPTION OF FISCAL EFFECTBDR/Bill/Amendment Number: BDR 32-56Name of Agency: Department of Taxation

Division/Department: _____

Date: February 21, 2017

BDR 32-56 provides for tax credits to employers against the Modified Business Tax who assists employees in finding and paying for day care. The credit is equal to 50 percent of the amount paid or the cost incurred by the employer but not to exceed \$2,500 per employee per year. This bill becomes effective upon passage for the purpose of adopting regulations and January 1, 2018 in regards to allowing taxpayers to utilize the credit.

Revenue:

The Department does not have the necessary information to determine the impact on revenue.

Expense:

The Department would be required to re-program the Unified Tax System in order to correctly administer these changes. The Department can absorb the programming costs.

The Department would also require additional support staff to manage this new program. The following costs reflect one Tax Examiner II starting October 1, 2017.

FY 2018: \$55,184

FY 2019: \$65,017

Future Biennia: \$137,743