

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 237** SLS 18RS 574

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 11, 2018 2:54 PM	<b>Author:</b> MORRELL
<b>Dept./Agy.:</b> REVENUE	<b>Analyst:</b> Benjamin Vincent
<b>Subject:</b> Tax Preparer Identification Number	

REVENUE DEPARTMENT OR INCREASE SG EX See Note Page 1 of 1  
Requires paid tax preparers to sign and provide their identification number on tax returns filed with the Department of Revenue. (gov sig)

Proposed law requires paid tax preparers to sign tax returns and claims for refund, and to provide certain identifying information that enables the LA Dept. of Revenue (LDR) to identify the preparer. Proposed law imposes a \$50 penalty for each failure to sign a return or claim or failure to provide identification sufficient for LDR to identify the preparer, with the total penalty on the preparer not to exceed \$25,000 per calendar year.

Effective upon governor's signature.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	INCREASE	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

LDR reports that to build enforcement of the bill's provisions into the tax return processing systems would incur one-time programming, testing, and system development costs. Depending on the extent of system design, development, and testing, required costs of staff time and effort could run to several tens of thousand of dollars.

**REVENUE EXPLANATION**

Proposed law requires paid tax preparers to sign and provide an identification number sufficient for LDR to identify them on the return or claim, and imposes a \$50 penalty for each failure to sign or provide the information.

To the extent that there is noncompliant behavior by paid tax preparers, enforcement of proposed law would increase LDR self-generated revenues due to the \$50 penalty. The department can not estimate the magnitude of this impact.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Gregory V. Albrecht*  
**Gregory V. Albrecht**  
**Chief Economist**