

JUDICIAL IMPACT FISCAL NOTE

Bill Number: 5959 SB	Title: Capital Gains Tax	Agency: 055 – Admin Office of the Courts (AOC)
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
Total:					

Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
STATE					
FTE – Staff Years					
Account					
General Fund – State (001-1)					
State Subtotal					
COUNTY					
County FTE Staff Years					
Account					
Local - Counties					
Counties Subtotal					
CITY					
City FTE Staff Years					
Account					
Local – Cities					
Cities Subtotal					
Local Subtotal					
Total Estimated Expenditures:					

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form parts I-V

If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

Capital budget impact, complete Part IV.

Legislative Contact:	Phone:	Date:
Agency Preparation: Sam Knutson	Phone: 360-704-5528	Date: 6/16/2017
Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date:
OFM Review:	Phone:	Date:

Part II: Narrative Explanation

This bill would create a new tax imposed on all individuals for the privilege of selling or exchanging long-term capital assets, or receiving Washington capital gains. The tax would equal seven percent multiplied by the individual's Washington capital gains.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

Section 10(1) would provide that any taxpayer who knowingly attempts to evade payment of the new capital gains tax imposed by this bill would be guilty of a class C felony, as provided by RCW 9A.20.

Section 10(2) would provide that any taxpayer who knowingly fails to pay tax, make returns, keep records, or supply information, as required by this bill, would be guilty of a gross misdemeanor as provided in RCW 9A.20.

The Administrative Office of the Courts (AOC) reviewed data provided by the Department of Revenue (DOR) regarding the number of potential cases that could be filed for capital gains tax evasion. Based on data provided by DOR, there would likely be fewer than ten cases filed per year.

Fiscal impact on the courts is indeterminate, but expected to be minimal.