

Judicial Impact Fiscal Note

Bill Number: 6559 SB	Title: Progressive income tax	Agency: 055-Admin Office of the Courts
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Account	FY 2016	FY 2017	2015-17	2017-19	2019-21
Counties					
Cities					
Total \$					

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). A fiscal analysis was prepared to show the projected ten-year cost to tax or fee payers of the proposed taxes or fees. The ten-year projection can be viewed at

<http://www.ofm.wa.gov/tax/default.asp>

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.

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Agency Preparation: Sam Knutson	Phone: 3607045528	Date: 01/28/2016
Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date: 01/28/2016
OFM Review:	Phone:	Date:

Request # 6559 SB-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

II. B - Cash Receipts Impact

II. C - Expenditures

Part III: Expenditure Detail

Part IV: Capital Budget Impact



Ten-Year Analysis

Bill Number 6559 SB	Title Progressive income tax	Agency 055 Admin Office of the Courts
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Name of Tax or Fee	Acct Code											

Agency Preparation: Sam Knutson	Phone: 3607045528	Date: 1/28/2016 4:52:20 pm
Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date: 1/28/2016 4:52:20 pm
OFM Review:	Phone:	Date:

Part II: Narrative Explanation

This bill would establish a state income tax, reduce the state sales tax, and eliminate the state property tax.

The bill would be effective January 1, 2018 provided a proposed amendment to Article VII of the state Constitution, authorizing income taxes, is approved by the voters at a general election held in November 2016.

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

Section 301 would establish a tax imposed on all taxable income of resident individuals, estates, and trusts and on all individuals, estates, and trusts deriving income from sources in Washington for each taxable year based on the type of return filed and the amount of income. The tax would be progressively based, depending on the amount of income.

Section 701 (1) would establish that any person who knowingly attempts to evade the tax imposed by this bill would be guilty of a class C felony.

Section 701 (2) would establish that any person required to collect tax imposed by this bill who knowingly fails to collect, truthfully account for, or pay over the tax would be guilty of a class C felony.

Section 701 (3) would establish that any person who fails to pay tax, pay estimated tax, make returns, keep records, or supply information required by this bill would be guilty of a gross misdemeanor.

II.B - Cash Receipt Impact

No cash receipt impact.

II.C – Expenditures

Indeterminate. The Administrative Office of the Courts (AOC) does not have data to estimate how many cases of income tax evasion or failure to collect taxes there would be resulting from this bill.