

# JUDICIAL IMPACT FISCAL NOTE

<b>Bill Number:</b> 2186 SHB	<b>Title:</b> Taxes	<b>Agency:</b> 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
<b>Total:</b>					

**Estimated Expenditures from:**

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

*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:
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Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date:
OFM Review:	Phone:	Date:

## **Part II: Narrative Explanation**

This bill would address the state's excise tax system, narrowing or eliminating tax preferences, imposing a business and occupation tax surcharge while eliminating tax liability for small businesses, enact an excise tax on capital gains, modify the real estate excise tax, and make administrative changes to existing statutes.

Note: This bill differs from 2186 HB by providing that single-family residences would include duplexes and triplexes. The bill would provide for a tax preference performance statement for both the Business & Occupations tax deductions for businesses with taxable income under \$250,000 and under \$500,000, and the preferential Real Estate Excise Tax for sales of real property under \$250,000.

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

Section 110(1) – Would provide that any taxpayer who knowingly attempts to evade payment of taxes imposed is guilty of a class C felony.

Section 110(2) – Would provide that any taxpayer who knowingly fails to pay tax, make returns, keep records, or supply information is guilty of a gross misdemeanor.

### **II.B - Cash Receipt Impact**

None.

### **II.C – Expenditures**

There is no data available to estimate the number of cases that would be filed regarding tax payers evading taxes, failing to make returns, keep records, or supply information. It is expected that the impact would be minimal.

The law tables would need to be updated. This would be managed within existing resources.