

# JUDICIAL IMPACT FISCAL NOTE

<b>Bill Number:</b> 2967 SHB	<b>Title:</b> Capital Gains / Property Tax	<b>Agency:</b> 055 – Administrative 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:

STATE	FY 2018	FY 2019	2017-19	2019-21	2021-23
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.

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## **Part II: Narrative Explanation**

This bill would provide for reduction of the state property tax levy and replace it with capital gains excise tax.

This bill differs from 2967 HB:

- Provides clarification of legislative intent to reduce property taxes and enact a capital gains tax;
- Provides a property tax relief formula would be based on the previous twelve months of collection versus fiscal year collections; and
- Would direct revenue from the proposed capital gains tax to the State General Fund.

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

Section 112(1) – Would provide that any taxpayer who knowingly attempts to evade payment of taxes imposed is guilty of a class C felony.

Section 112(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