



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

March 9, 2017

TO: Members
Wisconsin Legislature

FROM: Bob Lang, Director

SUBJECT: State Tax and Fee Modifications Included in the Governor's 2017-19 Budget Recommendations

The attached table provides a brief description of each state tax and fee modification proposed in the Governor's version of the budget (AB 64/SB 30). The table consists of three parts: (1) tax increases and decreases; (2) fee increases and decreases; and (3) enhanced collection measures. Each entry in the table includes the agency name, the Legislative Fiscal Bureau's budget document item that describes the change in more detail, a summary of the proposed modification, and an estimate of the revenue change due to the tax or fee modification.

In the table, GPR represents general fund revenue. Revenue to a program revenue account is signified by PR and SEG signifies revenue to a segregated fund. TANF refers to federal funding from the temporary assistance for needy families block grant. "Unknown" means that no estimate of the revenue impact is available at this time.

In summary, the changes included in the Governor's budget would decrease net taxes by -\$377,684,000 (-\$189,219,400 in 2017-18 and -\$188,464,600 in 2018-19) and would decrease net fees by -\$36,783,200 (-\$663,300 in 2017-18 and -\$36,119,900 in 2018-19). In addition, it is estimated that measures included in AB 64/SB 30 to enhance the collection of current taxes would generate an additional \$72,774,000 (\$36,012,000 in 2017-18 and \$36,762,000 in 2018-19).

The sum of these revenue changes for the 2017-19 biennium follows:

Net Tax and Fee Changes

	<u>2017-18</u>	<u>2018-19</u>	<u>Total</u>
GPR	-\$95,460,100	-\$78,769,000	-\$174,229,100
TANF	0	-13,000,000	-13,000,000
PR	641,600	-34,357,300	-33,715,700
SEG	<u>-95,064,200</u>	<u>-98,458,200</u>	<u>-193,522,400</u>
Total	-\$189,882,700	-\$224,584,500	-\$414,467,200

Enhanced Collection Measures

	<u>2017-18</u>	<u>2018-19</u>	<u>Total</u>
GPR	\$36,012,000	\$36,762,000	\$72,774,000

	2017-18	2018-19	Fund Source
TAX INCREASES			
GENERAL FUND TAXES			
Manufacturing and Agriculture Credit (MAC)/Other States Tax Credit. [Page 177, Item 4]. Modify the MAC by reducing the amount of income on which the credit is calculated by the amount of that same income that is claimed under the credit for taxes paid to another state, beginning with tax year 2017.	\$9,700,000	\$9,700,000	GPR
Limit Supplement to Federal Historic Rehabilitation Tax Credit. [Page 183, Item 19]. Modify the state supplement to the federal historic rehabilitation tax credit as follows: (a) limit the amount of tax credits that may be certified by the Wisconsin Economic Development Corporation (WEDC) to no more than \$10 million annually; (b) require WEDC to use a competitive process to certify claimants based on specified criteria regarding the potential economic benefits of the project and the number of credits previously certified in the same county or municipality; (c) require that applicants for tax benefits provide projections of the number of jobs that will be created as a result of the proposed project and require that credits must be repaid if the projected job creation targets are not met; and (d) specify that if a person who claims the credit under state law and under federal law for the same qualified rehabilitation expenditures is required to repay any amount of the federal credit, that person would have to repay a proportionate amount of the state credit. The administration estimates that, in 2018-19 dollars, these provisions would increase state tax revenues by \$3,000,000 in 2017-18, \$14,100,000 in 2018-19, \$26,700,000 in 2019-20, and \$27,700,000 in 2020-21 and annually thereafter.	\$3,000,000	\$14,100,000	GPR
Itemized Deduction Credit for Non-Residents and Part-Year Residents. [Page 178, Item 5]. Require that nonresident and part-year resident (NPR) filers must use the standard deduction prior to the application of the NPR apportionment ratio when they calculate the state itemized deduction credit (IDC), beginning with tax year 2017.	\$580,000	\$590,000	GPR
Treatment of Disqualified Losses under the EITC. [Page 176, Item 2]. Beginning in 2017, prohibit any individual from claiming the state earned income tax credit (EITC) if he or she reports a disqualified capital or business loss greater than \$15,000 in the calculation of his or her Wisconsin adjusted gross income. However, exclude any individual from the prohibition if the claimant is a farmer, the claimant's primary income is from farming, and the claimant's farming generates less than \$250,000 in gross receipts from the operation of farm premises. As a refundable tax credit, the costs of the EITC are recorded as expenditures, rather than tax revenue reductions, in the state's accounting system. Under the bill, the state EITC would be funded with approximately 31% GPR and 69% federal TANF funds in 2017-18 and approximately 34% GPR and 66% TANF in 2018-19.	\$820,000	\$820,000	GPR
Limit Working Families Credit. [Page 180, Item 10]. Beginning in tax year 2017, specify that a married couple may not claim the working families tax credit unless both spouses are full-year residents of Wisconsin.	\$200,000	\$200,000	GPR
Treatment of Net Operating Losses. [Page 186, Item 25]. Prohibit a net operating loss (NOL) carryforward from being offset against Wisconsin income under the individual income tax and the corporate income/franchise tax unless the incurred loss was computed on a return that was filed within four years of the unextended due date	\$1,000,000	\$1,000,000	GPR

	2017-18	2018-19	Fund Source
for filing the original return for the taxable year in which the loss was incurred. Also, impose a similar restriction on loss carrybacks under the individual income tax. In addition, clarify that the 20-year period for loss carryforwards means the immediately preceding 20 years, and that it would apply to losses incurred (rather than sustained) during that period of time. Finally, clarify that NOLs incurred by insurance companies could be carried forward only if the insurer was subject to the Wisconsin income and franchise tax in the year when the loss was incurred.			
Delay the Effective Date for 2013 Act 229. [Page 191, Item 2]. Delay the effective date for 2013 Act 229 from July 1, 2017, to September 1, 2019. Act 229 creates a deduction under the sales tax for bad debts associated with private label credit cards.	\$10,151,800	\$10,436,000	GPR
Taxation of Off-Highway Motorcycles. [Page 193, Item 5]. Treat off-highway motorcycles the same as other motor vehicles under the sales and use tax.	\$215,000	\$215,000	GPR
SHARED REVENUE AND TAX RELIEF			
Homestead Tax Credit Modifications and Disqualified Loss Limitations. [Page 412, Item 5 and Page 416, Item 7]. Modify the homestead tax credit for claims filed for tax year 2018 and thereafter by limiting the credit to claimants who are 62 years of age or older, claimants whose spouse is 62 or older, those with disabilities, and those who have earned income. All other claimants eligible under current law would no longer be eligible for the credit after tax year 2017 (\$12,200,000 in 2018-19). Also, for claimants with a disqualified loss, generally defined as the sum of a claimant's net business or capital investment losses, include the amount of the loss in excess of \$15,000 in the calculation of household income for the purpose of calculating the homestead tax credit. For claimants with losses in excess of \$15,000, this modification would have the effect of increasing their household income and reducing their credit (\$470,000 annually).	\$470,000	\$12,670,000	GPR
SUBTOTAL -- TAXES -- INCREASES	\$26,136,800	\$49,731,000	GPR
TAX DECREASES			
GENERAL FUND TAXES			
Reduce Income Tax Rates. [Page 175, Item 1]. Decrease the bottom marginal rate of the individual income tax from 4.0% to 3.9% and reduce the second lowest marginal rate from 5.84% to 5.74%. In addition, expand the range of the second lowest tax bracket. These provisions would take effect in tax year 2017.	-\$104,377,700	-\$99,076,900	GPR
EITC for Families with One Child. [Page 176, Item 2]. Calculate the state EITC for claimants with one qualifying child by multiplying the applicable federal credit amount by 11% instead of 4%, beginning in tax year 2018.	\$0	-\$20,800,000	GPR/ TANF

	2017-18	2018-19	Fund Source
EITC for Claimants who Become Married. [Page 176, Item 2]. Beginning in tax year 2018, authorize claimants who become married in a year to claim the greater of the state EITC calculated as a married claimant or the credit claimed in the prior year when the claimant was unmarried. In the succeeding two years, authorize the claimant to claim the greater of the credit calculated as a married claimant for that year or the credit for the year prior to the year when the claimant became married. The estimated cost of this provision would increase from \$1,500,000 in 2018-19 to \$3,500,000 in 2019-20 and \$5,500,000 in 2020-21.	\$0	-\$1,500,000	GPR/ TANF
EITC for Noncustodial Parents. [Page 176, Item 2]. Beginning in tax year 2018, create a refundable credit, funded from the current law EITC appropriations, for noncustodial parents, not otherwise eligible for the EITC. Set the credit equal to 7.5% of the amount the individual would be eligible to receive under the federal EITC, if the individual's noncustodial child meets the definition of qualifying child under the federal credit.	\$0	-\$230,000	GPR/ TANF
Young Adult Employment Assistance Tax Credit. [Page 96, Item 7 and Page 177, Item 3]. Create a refundable tax credit under the state individual income tax called the young adult employment assistance credit, beginning in tax year 2018, for certain individuals who age out of out-of-home placements. The credit would be equal to 125% of the federal EITC for claimants with no qualifying children, without regard to the federal age limits.	\$0	-\$724,000	GPR
Itemized Deductions Used for IDC. [Page 178, Item 6]. Beginning in tax year 2017, clarify that the itemized deductions used to calculate the state itemized deduction tax credit be based on federal itemized deductions prior to any modification under the federal alternative minimum tax.	Minimal	Minimal	GPR
Capital Gains Provision for Qualified Wisconsin Businesses [Page 179, Item 8]. Modify the current law procedure for determining the number of employees of a qualified Wisconsin business under two capital gains treatments by specifying that an employee of a professional employer organization or group who is performing services for a client is considered an employee solely of the client. Under current law, income tax on capital gains may be deferred if the gain is reinvested in a qualified Wisconsin business, and a capital gains exclusion may be claimed for the gains from a qualified Wisconsin business, provided other conditions are met. State law requires the Department of Revenue (DOR) to register qualified Wisconsin businesses that meet specified employment and property requirements. Under the employment requirement, the business must have at least two full-time employees and at least half of the payroll compensation of the business must be paid in Wisconsin. The proposed provision would clarify that employees of professional employer organizations or groups for a client may be considered employees of the client if the client is a qualified Wisconsin business.	Minimal	Minimal	GPR
Exemption for Certain Interest Income. [Page 178, Item 7]. Provide an exclusion under the individual income tax for interest income on debt issued by certain authorities.	Minimal	Minimal	GPR

	2017-18	2018-19	Fund Source
Angel and Early Stage Seed Credit Investment Limit. [Page 185, Item 21]. Increase from \$8 million to \$12 million the maximum amount of investments that qualify for angel and early stage seed investment tax credits that a qualified new business venture could receive, beginning in tax year 2017.	-\$3,200,000	-\$2,200,000	GPR
Expand Enterprise Zone Program. [Page 181, Item 15]. Allow WEDC to designate a new enterprise zone, subject to the current law limit on the number of zones WEDC may designate, if: (a) an enterprise zone designation expires; or (b) WEDC revokes all certifications for tax benefits within a designated enterprise zone and cancels the designation of that zone.	Minimal	Minimal	GPR
Internal Revenue Code (IRC) Update. [Page 181, Item 14]. With certain exceptions, update references to the federal IRC under state income and franchise tax statutes to refer to the code in effect on December 31, 2016, instead of December 31, 2013.	-\$600,000	-\$800,000	GPR
Sales Tax Holiday. [Page 188, Item 1]. Create a sales tax exemption for certain back-to-school merchandise sold during a two-day period in August of 2017 and 2018.	-\$11,000,000	-\$11,000,000	GPR
Retailer's Sale of Food Prepared Offsite. [Page 193, Item 4]. Create a sales tax exemption for prepared food that is sold by a retailer and: (a) manufactured by the retailer in a building assessed as manufacturing property; (b) the retailer makes no retail sales of prepared food at this building; (c) the retailer freezes the prepared food prior to its sale; (d) the retailer sells the prepared food in its frozen state; (e) the prepared food is not sold with eating utensils; and (f) the prepared food is not candy, soft drinks, or dietary supplements.	-\$1,000,000	-\$1,000,000	GPR
Sales Tax Occasional Sales Threshold. [Page 154, Item 7]. Increase the gross receipts threshold for the occasional sales exemption under the sales and use tax.	-\$169,200	-\$169,100	GPR
Taxation of Lump Sum Construction Contracts. [Page 191, Item 3]. Expand the sales and use tax exemption for lump sum construction contracts to apply to all construction contracts and to subcontractors.	-\$1,250,000	-\$1,500,000	GPR
HEALTH SERVICES			
Ambulatory Surgical Center Assessment. [Page 212, Item 8]. Repeal all statutory provisions relating to the ambulatory surgical center (ASC) assessment. Reduce estimates of revenue the state collects from the assessment for deposit to the medical assistance trust fund by \$5,000,000 annually to reflect the elimination of the assessment. Under current law, the Department of Revenue may collect an assessment on the gross patient revenues of ASCs located in Wisconsin. Collections are used, along with federal matching funds, to make supplemental access payments to ASCs for medical assistance patients, as well as for offsetting GPR costs in the medical assistance program.	-\$5,000,000	-\$5,000,000	SEG

	2017-18	2018-19	Fund Source
NATURAL RESOURCES			
Sunset Forestry Mill Tax. [Page 324, Item 1 and Page 417, Item 1]. Sunset the state forestry mill tax, or "forestation state tax," effective with the January 1, 2017, property tax assessments (property taxes levied in 2017, for payment in 2018). The tax generated approximately \$83 million in fiscal year 2015-16 and provides the majority of revenue to the forestry account of the conservation fund. Instead, the bill would create a sum-sufficient GPR appropriation and specify that an amount of GPR equal to the amount that would have been provided under the forestry mill tax be transferred to the conservation fund annually.	-\$88,759,300	-\$91,695,600	SEG
SHARED REVENUE AND TAX RELIEF			
Indexing Homestead Tax Credit for Claimants 62 or Older or Disabled. [Page 415, Item 6]. Beginning with tax year 2018, annually index the following current law homestead tax credit formula factors for claimants 62 or older, whose spouse is 62 or older, or those who are disabled: (a) the maximum household income amount from the current level of \$24,680; and (b) the maximum income threshold amount from the current level of \$8,060.	\$0	-\$2,500,000	GPR
SUBTOTAL -- TAXES -- DECREASES	-\$121,596,900 \$0 -\$93,759,300	-\$128,500,000 -\$13,000,000 -\$96,695,600	GPR TANF SEG
FEE INCREASES			
AGRICULTURE, TRADE AND CONSUMER PROTECTION			
Agricultural Chemical Licenses and Surcharges. [Page 58, Item 2]. Make various changes to fees and surcharges assessed on agricultural chemicals and commercial feed distributed or sold in Wisconsin. These changes would increase certain revenues by: (a) introducing new surcharges (\$25 per year) for bulk fertilizer distribution or bulk pesticide manufacture or distribution; (b) introducing minimum tonnage fees (\$46 per year) for feed sales less than 200 tons annually; and (c) replacing a tiered fee structure based on annual product sales for pesticide product licenses and surcharges, which vary from \$265 to \$323 for low-volume products, with uniform license fees (\$480) and cleanup surcharges (\$30) per registered product. Fees and surcharges are deposited into the segregated agrichemical management fund (ACM), agricultural chemical cleanup (ACCP) fund, or environmental management account (EMA) of the environmental fund for the purposes of DATCP administration of agrichemical programs, cleanup activities related to agrichemical spills or contamination, and environmental programs for remediation of contaminated lands and waters. Bill provisions would increase fees on certain agricultural products by fund as follows: (a) for ACM SEG, \$2,015,000 in 2017-18 and \$2,030,000 in 2018-19; (b) for ACCP SEG, \$150,000 in 2017-18; and (c) \$95,000 EMA SEG each year. Fee increases would be subsumed by greater reductions in revenue as described in a separate entry under "Fee Decreases." The net effect of all fee and surcharge changes would be a reduction of approximately \$4.5 million over the biennium.	\$2,260,000	\$2,125,000	SEG

	2017-18	2018-19	Fund Source
Weights and Measures Inspection Fees. [Page 58, Item 2]. Require a minimum weights and measures inspection fee for commercial feed totaling fewer than 200 tons annually. The current weights and measures inspection fee for commercial feed is 2¢, and the minimum fee would be \$4.	\$0	\$2,000	PR
FINANCIAL INSTITUTIONS			
Expedited Service Fees. [Page 171, Item 4]. Establish the following fees for expedited service by the Department of Financial Institutions (DFI) in processing certain records filed by business entities: (a) \$500 for processing within one hour or less from filing; and (b) \$250 for processing within four hours or less from filing. The additional fee revenue would be deposited as program revenue into DFI's general program operations appropriation. However, any balance at the close of a fiscal year under that appropriation lapses to the general fund.	\$1,640,000	\$1,640,000	PR
PUBLIC INSTRUCTION			
Newsline for the Blind Library Service Contracts. [Page 373, Item 13 and Page 374, Item 4] Provide \$16,900 in 2017-18 and \$35,300 in 2018-19 for the program that provides access to newspapers for the blind, and \$3,200 in 2017-18 and \$7,100 in 2018-19 for library service costs. Provide that funding would be from the universal service fund, which receives its funding through Public Service Commission assessments on annual gross operating revenues from intrastate telecommunications providers, which they can fully recover through pass-through assessments on subscribers.	\$20,100	\$42,400	SEG
NATURAL RESOURCES			
Parks Fee Increases. [Page 328, Item 10]. Effective January 1, 2018, specify a range of vehicle admission and camping fees for Wisconsin state parks and forests that the Department of Natural Resources (DNR) may charge as determined by the DNR Secretary. Under the bill, resident and nonresident annual state park and forest admission fees and resident and nonresident state park and forest camping fees could be increased by up to \$10, while resident and nonresident daily automobile, daily bus, and daily nursing home bus park and forest vehicle admission fees could be increased by up to \$5. The administration indicates it is expected DNR would establish admissions and camping fees at rates that would increase revenues by \$700,000 to the parks account of the segregated conservation fund on an annual basis.	\$700,000	\$700,000	SEG
SUBTOTAL -- FEES -- INCREASES	\$1,640,000 \$2,980,100	\$1,642,000 \$2,867,400	PR SEG

	2017-18	2018-19	Fund Source
FEE DECREASES			
AGRICULTURE, TRADE AND CONSUMER PROTECTION			
<p>Agricultural Chemical Licenses and Surcharges. [Page 58, Item 2]. Make various changes to fees and surcharges assessed on agricultural chemicals and commercial feed distributed or sold in Wisconsin. These changes would reduce certain license and surcharge revenues by: (a) replacing a tiered pesticide products license fee structure, which varies from \$750 to \$3,060 for high-volume pesticides under current law, with uniform annual license fee (\$480) and cleanup surcharge (\$30); (b) repealing license fees and surcharges assessed as a percentage of annual sales; (c) delaying the payment of soil and plant additive licenses and tonnage payments due to a modified license year; (d) lowering surcharges related to pesticide application activities by individuals and businesses, and for restricted-use pesticides; and (e) repealing the hazardous household waste fee and wood pesticide product surcharge. Additionally, the bill would repeal and recreate the procedure for reducing ACCP surcharges, contingent on the ACCP fund balance, which would eliminate most ACCP SEG surcharges for 2018-19.</p> <p>Bill provisions would reduce fees on certain agricultural products by fund as follows: (a) for ACM SEG, -\$3,005,000 in 2017-18 and -\$2,980,000 in 2018-19; (b) for ACCP SEG, -\$1,155,000 in 2017-18 and -\$1,525,000 in 2018-19; and (c) -\$125,000 EMA SEG each year.</p> <p>These decreases would be partially offset by increases in per-product registration and introduction of new surcharge categories; however, the net effect of all fee and surcharge changes would be a reduction of approximately \$4.5 million over the biennium. [See entry under "Fee Increases" for more information.]</p>	-\$4,285,000	-\$4,630,000	SEG
<p>Stray Voltage Fees. [Page 63, Item 3]. Repeal fees imposed for administration of a portion of the stray voltage program, which seeks to identify and resolve farm electric wiring and distribution problems that otherwise may negatively impact livestock. Amounts at right reflect DATCP assessments on rural electric cooperatives; a separate entry describes assessments made by the Public Service Commission that are transferred to DATCP for program operations.</p>	-\$29,700	-\$29,700	PR
PUBLIC INSTRUCTION			
<p>Eliminate Expiration Dates for Teaching and Administrator Licenses. [Page 371, Item 9]. Eliminate expiration dates for teaching and administrator licenses issued by DPI. Under current practice, a fee is charged to renew a license. Under the bill, funding in the appropriation for teacher licensing would be reduced by \$753,200 in 2017-18 and \$1,004,100 in 2018-19 to reflect this change. However, the actual decrease in fee revenue is unknown.</p>	See Text	See Text	PR

	2017-18	2018-19	Fund Source
PUBLIC SERVICE COMMISSION			
Stray Voltage Program. [Page 378, Item 4]. Repeal provisions authorizing the stray voltage program, effective upon enactment of the bill, and delete 5.0 DATCP positions and 1.0 PSC position responsible for administering the program. Amounts at right primarily reflect assessments made by the PSC on certain electric utilities, of which approximately \$518,000 annually is transferred to DATCP for program operations. Under the program, the two agencies jointly investigate the causes of stray voltage on individual farms, recommend to farmers solutions to stray voltage problems, and evaluate the effectiveness of on-site technical assistance. The program also may receive fees imposed on farms receiving such assistance.	-\$822,800	-\$823,700	PR
SAFETY AND PROFESSIONAL SERVICES			
Rental Unit Energy Efficiency Program. [Page 395, Item 9]. Repeal the rental unit energy efficiency program and associated fees for inspection and certification of rental dwelling units under program requirements. The program requires certain rental units to comply with DSPS rules for weatherization and energy efficiency prior to sale or transfer.	-\$121,000	-\$121,000	PR
Apprenticeship Examinations. [Page 404, Item 6]. Exempt individuals who complete specified apprenticeship programs from the requirement to pass an examination. The exemption would result in a decrease in revenue from examination fees.	-\$24,900	-\$24,900	PR
UNIVERSITY OF WISCONSIN SYSTEM			
5% Tuition Reduction. [Page 459, Item 2]. The bill would provide \$35 million GPR in 2018-19. According to the Executive Budget Book, this funding would be provided to fund a 5% reduction in tuition in that year. To reflect the use of this funding, a reduction of \$35 million PR from tuition revenues in 2018-19 is shown.	\$0	-\$35,000,000	PR
SUBTOTAL -- FEES -- DECREASES	-\$998,400 -\$4,285,000	-\$35,999,300 -\$4,630,000	PR SEG
ENHANCED COLLECTION MEASURES			
GENERAL FUND TAXES			
Assessments to Recover Revoked Tax Credits. [Page 185, Item 23]. Permit DOR to make an assessment to recover all or a part of any tax credit allocated by WEDC that has been claimed by the taxpayer, provided WEDC has revoked the tax credit allocation and provided DOR notice of the revocation within one year of providing notice of the revocation to the taxpayer.	Minimal	Minimal	GPR

	2017-18	2018-19	Fund Source
Income Reporting by Captive Insurance Companies. [Page 186, Item 24]. Require a captive insurance company that is part of a group of corporations engaged in a unitary business to report its income in the group's combined report even if all of its income is exempt from the income/franchise tax. As under current law, the captive insurance company's share of business income of the combined group would be exempt from taxation. The reporting requirement would first apply to taxable years beginning on January 1, 2017, and the administration estimates that the provision would generate \$1,000,000 annually beginning in 2017-18 by reducing tax-avoidance activity	\$1,000,000	\$1,000,000	GPR
Notifications to Disregarded Entities. [Page 188, Item 27]. Clarify that, with regard to a single-owner entity that is disregarded as a separate entity under the IRC, any notice that DOR sends to the owner or to the entity is considered a notice sent to both. Both entities would be liable for any amounts specified in the notice. This provision would apply to all laws administered by DOR. According to DOR, this provision would clarify that the owner of a disregarded entity is liable for both the activities of the disregarded entity and for any delinquent tax collection notification that the Department may send to the disregarded entity, regardless of which specific tax may have generated the notification.	Minimal	Minimal	GPR
Employer Verification for Income Tax Refunds. [Page 180, Item 13]. Specify that DOR may not issue an individual income tax refund to an employed individual before March 1 unless both the individual and his or her employer have filed all required returns and forms for the applicable tax year.	Minimal	Minimal	GPR
Sales Tax Over-Collection. [Page 194, Item 6]. Specify that a retailer who continues to collect sales tax on a product after receiving two or more notices from DOR that the product is exempt from tax would not be entitled to an adjustment or refund of the tax unless the seller returns the tax and related interest to the buyers from whom the seller collected the tax.	Minimal	Minimal	GPR
GENERAL PROVISIONS			
Legal Garnishment Fee Paid by Debtors. [Page 197, Item 2]. Specify that the \$3 garnishment fee applied to a debtor's garnishment earnings is subtracted from the portion of a debtor's nonexempt disposable earnings to which a creditor is entitled, and the creditor applies the actual amount received from the garnishee to the unsatisfied civil judgement.	\$12,000	\$12,000	GPR
REVENUE			
Business Information Returns. [Page 385, Item 5]. Make a number of modifications regarding wage reporting and information returns required of businesses.	\$3,000,000	\$3,000,000	GPR
Auditors and Debt Collection Staff. [Page 384, Item 2 and Item 3]. Add 38.0 auditing and tax collection positions and 8.0 state debt collection positions in DOR. All 46 positions would be four-year project positions beginning on October 1, 2017, and ending on September 30, 2021.	\$32,000,000	\$32,750,000	GPR
SUBTOTAL -- ENHANCED COLLECTION MEASURES	\$36,012,000	\$36,762,000	GPR