

REVENUE: Revenue Statement Issued

FISCAL: No Fiscal Impact

Action: Do pass and be placed on the consent calendar
Vote: 7-0-2
Yeas: Berger, Butler, Gelser, Olson, Rosenbaum, Witt, Barnhart
Nays:
Exc.: Bruun, Read
Prepared By: Mary Ayala, Economist
Meeting Dates: 1/31, 3/2

WHAT THE BILL DOES: Permits boards of property tax appeals to waive penalties on delinquent real property if it is both the first time that a tax return was required and the first time that the taxpayer filed the return. Applies to penalties associated with tax years beginning on or after July 1 2007. Effective 91 days after sine die.

ISSUES DISCUSSED: A representative from the Department of Revenue testified that the measure will grant local tax appeal boards the latitude to waive late filing penalties for any type of property, as opposed to having different administrative processes for personal vs. real property.

EFFECT OF COMMITTEE AMENDMENTS: None

BACKGROUND: Under current law, if a property tax imposed on property, other than personal property, is delinquent, a county's property Board of Property Tax Appeals does not have the authority to waive the penalty on a delinquency unless the taxpayer can show that there was just cause for it.

However, if the property tax is imposed on personal property and the tax becomes delinquent, the a county's board of appeals may grant all or part of a waiver for either 'just cause' or because the delinquency was a first-time event.