

Occupational Licensee Pilot Project

With HB 3082 from the 2009, the Legislature created a pilot project to be conducted by the Department of Revenue that linked the issuance or renewal of occupational licenses with tax compliance. The bill defined tax compliance as filing the required tax returns for the three preceding years or 12 quarters and either paying any applicable tax or entering into and following the terms of a payment plan. HB 3082 included a sunset date of January 2, 2016.

Phase I

- Project 1
 - Three licensing boards and 6,137 licensees
 - Licensees could be subject to license suspension or non-renewal
 - Conducted from September 2009 through December 2010
 - Reduced non-compliance from 422 to 178 (as of 5/12)
 - Total potential collections of \$590,000 (as of 5/12)
- Project 2
 - Three licensing boards and 25,079 licensees
 - Informational only, license was not at risk
 - Conducted from April 2010 through May 2012
 - Reduced non-compliance from 1,242 to 780 (as of 5/12)
 - Total potential collections of \$830,000 (as of 5/12)

Phase II

- Three licensing boards and 6,596 licensees
- Withholding tax program only, no license at risk
- 3,457 licensees subject to withholding tax (increased to 3,490)
- Non-compliant returns went from 116 to 131
- Total potential tax collections of \$550,000