

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Revenue

Fiscal: May have fiscal impact, but no statement yet issued

Revenue: May have revenue impact, but no statement yet issued

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Directs the Department of Revenue to suspend the collection of unpaid tax from elderly taxpayers who are age 65 and over, and whose sole source of income is federal Social Security benefits. Directs the Department to review the taxpayers' eligibility annually until the taxpayers reach the age of 76. Directs the Department to resume collection activities with a 60 day notice if a taxpayer is found to be ineligible.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

The -1 changes the eligibility age to 62, adds the stipulation that the taxpayer must have no property from which the collection of taxes would be practical to have their unpaid tax collection suspended, changes the Department of Revenue review process to every 24 months instead of annually, changes notice requirements if a taxpayer is disqualified from suspension of collection to require a list of the types of income prohibited by federal law from assignment or collection, and clarifies that the Department of Revenue still has the authority to file a lien.

BACKGROUND:

Unpaid tax can result in penalties and interest. The Department of Revenue is responsible for collection activities for debts owed for unpaid taxes.