

# Corporate Activity Tax (CAT)



Presentation to  
Joint Interim Committee on Ways and Means  
Subcommittee on General Government

# Agenda

- Overview of program.
- Implementation status.
- Changes and adjustments.
- Upcoming activities.
- General Fund request.
- Other Funds request.

# Overview of CAT

- 2019 House Bills 3427 and 2164.
- Effective January 1, 2020.
- Applies to all business types.
- Broad base, low tax rate.
- Revenues support early learning and K-12 education.

# Implementation status

- Staff hiring.
- Communication.
- Administrative rules.
- Other guidance.
- IT development.

# Changes and adjustments

- Phase 1 IT development work.
- No referral to voters.
- Additional resources for earlier than planned activities.
- Early hiring of necessary staff.
- Potential legislative changes.

# Upcoming activities

- Administrative rules.
- Education tour.
- Tax forms and instructions.
- IT development phase 2.
- Letters.
- Public service announcements.
- Email updates and other communication.

# General Fund request

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## Additional resources

- Personal Services: \$524,569
- Services and Supplies: \$92,400

## Early hiring

- Personal Services: \$233,086 (15 positions, 1.21 FTE)
- Services and Supplies: \$67,512
- Capital Outlay: \$10,610



# Other Funds request

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## Implementation and administration, 2019-21 biennium

- Personal Services: \$6,812,936 (75 positions, 32.71 FTE)
- Services and Supplies: \$2,482,233
- Capital Outlay: \$341,757

## Information Systems development

- Professional Services: \$213,500
- IT Professional Services: \$2,300,000

# Questions?

If you have additional questions after today,  
please contact:

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