

SUBCOMMITTEE RECOMMENDATION

Item 77: Department of Revenue 2023 Session Budget Adjustments

To: Ways and Means Full Committee
From: General Government Subcommittee
Carrier: Senator Campos

The General Government Subcommittee recommends that the Joint Interim Committee on Ways and Means recommend appropriating \$463,423 General Fund, increasing Other Funds expenditure limitation by \$75,357, and authorizing the establishment of three positions in a budget reconciliation bill during the 2024 legislative session for the Department of Revenue to support the Electronic Valuation Information System project, collection and administration of the 9-8-8 tax, and Pass Through Entity Elective tax extension.

Support for phase 2 of the Electronic Valuation Information System project was provided in the 2023 session through the authorization of general obligation bonds; however, an associated position remains necessary to support maintenance and operations. The recommended funding also supports a one-time increase for information technology services related to the new 9-8-8 tax on telecommunication services. The funding will help update the Department's tax processing software.

Additionally, the extension of the pass-through business alternative income tax and related personal income tax credit created additional work related to processing and reviewing tax returns. To address the workload, the additional funding will support the establishment of two Administrative Specialist 2 positions.

The General Government Subcommittee recommends approval.