

Multiple Agency Fiscal Note Summary

| | |
|-------------------------------|------------------------------------|
| Bill Number: 5565 S SB | Title: Tax and revenue laws |
|-------------------------------|------------------------------------|

Estimated Cash Receipts

NONE

| Agency Name | 2023-25 | | 2025-27 | | 2027-29 | |
|---------------------|------------------|-------|-----------|-------|-----------|-------|
| | GF- State | Total | GF- State | Total | GF- State | Total |
| Local Gov. Courts | No fiscal impact | | | | | |
| Loc School dist-SPI | | | | | | |
| Local Gov. Other | No fiscal impact | | | | | |
| Local Gov. Total | | | | | | |

Estimated Operating Expenditures

| Agency Name | 2023-25 | | | | 2025-27 | | | | 2027-29 | | | |
|-------------------------------------|---------------------------|----------|-------------|----------|------------|----------|-------------|----------|------------|----------|-------------|----------|
| | FTEs | GF-State | NGF-Outlook | Total | FTEs | GF-State | NGF-Outlook | Total | FTEs | GF-State | NGF-Outlook | Total |
| Administrative Office of the Courts | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Department of Revenue | Fiscal note not available | | | | | | | | | | | |
| Department of Licensing | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Total \$ | 0.0 | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 |

| Agency Name | 2023-25 | | | 2025-27 | | | 2027-29 | | |
|---------------------|------------------|----------|-------|---------|----------|-------|---------|----------|-------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Local Gov. Courts | No fiscal impact | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other | No fiscal impact | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Expenditures

| Agency Name | 2023-25 | | | 2025-27 | | | 2027-29 | | |
|-------------------------------------|---------------------------|----------|----------|------------|----------|----------|------------|----------|----------|
| | FTEs | Bonds | Total | FTEs | Bonds | Total | FTEs | Bonds | Total |
| Administrative Office of the Courts | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Department of Revenue | Fiscal note not available | | | | | | | | |
| Department of Licensing | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Total \$ | 0.0 | 0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0 |

| Agency Name | 2023-25 | | | 2025-27 | | | 2027-29 | | |
|---------------------|------------------|----------|-------|---------|----------|-------|---------|----------|-------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Local Gov. Courts | No fiscal impact | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other | No fiscal impact | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Breakout

| | | |
|---------------------------------------|---------------------------------|---|
| Prepared by: Cheri Keller, OFM | Phone: (360) 584-2207 | Date Published: Revised 2/15/2023 |
|---------------------------------------|---------------------------------|---|

Judicial Impact Fiscal Note

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|-------------------------------|------------------------------------|--|
| Bill Number: 5565 S SB | Title: Tax and revenue laws | Agency: 055-Administrative Office of the Courts |
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note for Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.

| | | |
|------------------------------------|-----------------------|------------------|
| Legislative Contact: Alia Kennedy | Phone: 360-786-7405 | Date: 02/10/2023 |
| Agency Preparation: Angie Wirkkala | Phone: 360-704-5528 | Date: 02/14/2023 |
| Agency Approval: Chris Stanley | Phone: 360-357-2406 | Date: 02/14/2023 |
| OFM Review: Gaius Horton | Phone: (360) 819-3112 | Date: 02/15/2023 |

183,324.00

Form FN (Rev 1/00)

Request # 178-1

Bill # 5565 S SB

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

The bill would modify tax and revenue laws by making technical corrections, clarifying ambiguities, easing compliance burdens for taxpayers, and providing administrative efficiencies.

II. B - Cash Receipts Impact

None

II. C - Expenditures

No fiscal impact expected to the Administrative Office of the Courts and the courts.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

None

183,324.00

Form FN (Rev 1/00)

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Request # 178-1

Bill # 5565 S SB

Individual State Agency Fiscal Note

| | | |
|-------------------------------|------------------------------------|--|
| Bill Number: 5565 S SB | Title: Tax and revenue laws | Agency: 240-Department of Licensing |
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

| | | |
|-----------------------------------|-----------------------|------------------|
| Legislative Contact: Alia Kennedy | Phone: 360-786-7405 | Date: 02/10/2023 |
| Agency Preparation: Aaron Harris | Phone: (360) 902-3795 | Date: 02/14/2023 |
| Agency Approval: Gerrit Eades | Phone: (360)902-3863 | Date: 02/14/2023 |
| OFM Review: Kyle Siefering | Phone: (360) 995-3825 | Date: 02/14/2023 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

See attached fiscal note

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: 5565 SSB

Bill Title: Tax and Revenue Laws

Part 1: Estimates

No Fiscal Impact

Check applicable boxes and follow corresponding instructions.

- If the fiscal impact is **less than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- If fiscal impact is **greater than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

| | | |
|----------------------------------|-----------------------|----------------|
| Legislative Contact: | Phone: (360) | Date: |
| Agency Preparation: Aaron Harris | Phone: (360) 902-3795 | Date: 02/14/23 |
| Agency Approval: Gerrit Eades | Phone: (360) 902-3931 | Date: 02/14/23 |

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| Request # | 1 |
| Bill # | 5565 SSB |

Part 2 – Explanation

This bill makes various administrative and technical changes to the state tax and licensing statutes.

2.A – Brief Description Of What The Measure Does That Has Fiscal Impact

Section 23 corrects a technical error regarding nonresident vessel permits which was intended to say “country” rather than the current “county”. This change will not have an impact on the Department of Licensing (DOL) as we have interpreted this statute as it was originally intended by Department of Revenue (DOR).

2.B - Cash receipts Impact

No impact to cash receipts for DOL. Section 23 regarding nonresident vessels had a technical error where it says “county” instead of “country”.

2.C – Expenditures

No impact to expenditures for DOL.

Part 3 – Expenditure Detail

3.A – Operating Budget Expenditures

None.

3.B – Expenditures by Object or Purpose

None.

3.C – FTE Detail

None.

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

None.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5565 S SB

Title: Tax and revenue laws

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities:
 Counties:
 Special Districts:
 Specific jurisdictions only:
 Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
 Expenditures represent one-time costs:
 Legislation provides local option:
 Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

| | | |
|--------------------------------------|-----------------------|------------------|
| Fiscal Note Analyst: Tammi Alexander | Phone: 360-725-5038 | Date: 02/14/2023 |
| Leg. Committee Contact: Alia Kennedy | Phone: 360-786-7405 | Date: 02/10/2023 |
| Agency Approval: Allan Johnson | Phone: 360-725-5033 | Date: 02/14/2023 |
| OFM Review: Cheri Keller | Phone: (360) 584-2207 | Date: 02/14/2023 |

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This fiscal note reflects language in SHB 5565, 2023 Legislative Session.

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

- Removes the section exempting from automatic tax preference expiration the preferential B&O tax rate of 0.484% for newspaper printing and publishing.
- Removes the section creating a permanent use tax exemption for property transfers from a parent company to a wholly owned subsidiary.

SUMMARY OF CURRENT BILL:

This bill improves tax and revenue laws by making technical corrections, clarifying ambiguities, and providing administrative efficiencies for taxpayers and the Department of Revenue.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

None

EXPENDITURE IMPACTS OF CURRENT BILL:

This substitute bill would not impact local government expenditures because no action is required.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

None

REVENUE IMPACTS OF CURRENT BILL:

This substitute bill would not impact local government revenues.

SOURCES:

Department of Revenue fiscal note, SB 5565 (2023)

Senate Bill Report, SSB 5565, Ways and Means Committee (02/07/2023)