

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 2109 XIL	<b>Title:</b> Taxes: Repeal an excise tax imposed on the sale or exchange of certain long-term capital assets by individuals who have annual capital gains of over \$250,000
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## Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Office of Attorney General	0	0	(84,000)	0	0	(46,000)	0	0	(46,000)
Department of Revenue	0	(984,079,000)	(1,429,000,000)	0	(1,109,996,000)	(1,792,000,000)	0	(1,162,036,000)	(2,012,000,000)
<b>Total \$</b>	<b>0</b>	<b>(984,079,000)</b>	<b>(1,429,084,000)</b>	<b>0</b>	<b>(1,109,996,000)</b>	<b>(1,792,046,000)</b>	<b>0</b>	<b>(1,162,036,000)</b>	<b>(2,012,046,000)</b>

## 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
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	(.5)	0	0	(84,000)	(.3)	0	0	(46,000)	(.3)	0	0	(46,000)
Department of Revenue	2.2	(38,900)	(38,900)	(38,900)	1.2	283,600	283,600	283,600	.6	131,500	131,500	131,500
<b>Total \$</b>	<b>1.7</b>	<b>(38,900)</b>	<b>(38,900)</b>	<b>(122,900)</b>	<b>0.9</b>	<b>283,600</b>	<b>283,600</b>	<b>237,600</b>	<b>0.3</b>	<b>131,500</b>	<b>131,500</b>	<b>85,500</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

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**Date Published:**  
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2109 XIL	<b>Title:</b> Taxes: Repeal an excise tax imposed on the sale or exchange of certain long-term capital assets by individuals who have annual capital gains of over \$250,000	<b>Agency:</b> 090-Office of State Treasurer
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

**Non-zero but indeterminate cost and/or savings. Please see discussion.**

**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: Tracey Taylor	Phone: 360-786-7152	Date: 01/10/2024
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 02/05/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 02/05/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/05/2024

## 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.*

XIL 2109 repeals the tax on capital gains income authorized in RCW 82.87.

### 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.*

RCW 82.87.030, distribution of revenues, directs the department of revenue to deposit money into the education legacy trust account and the common school construction account. RCW 82.87.030 is repealed.

Projected cash flows are currently unavailable; therefore, estimated earnings from investments are indeterminable. To assist, the projected interest rates are provided, (attached).

### 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.*

November 2023 Revenue Forecast	
Fiscal Year	Earnings from Investments: Projected Net Interest Rate
2024	3.56%
2025	3.55%
2026	3.30%
2027	3.05%

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2109 XIL	<b>Title:</b> Taxes: Repeal an excise tax imposed on the sale or exchange of certain long-term capital assets by individuals who have annual capital gains of over \$250,000	<b>Agency:</b> 100-Office of Attorney General
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## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Legal Services Revolving Account-State 405-1	(61,000)	(23,000)	(84,000)	(46,000)	(46,000)
<b>Total \$</b>	(61,000)	(23,000)	(84,000)	(46,000)	(46,000)

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	(0.6)	(0.3)	(0.5)	(0.3)	(0.3)
<b>Account</b>					
Legal Services Revolving Account-State 405-1	(61,000)	(23,000)	(84,000)	(46,000)	(46,000)
<b>Total \$</b>	(61,000)	(23,000)	(84,000)	(46,000)	(46,000)

### 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: Tracey Taylor	Phone: 360-786-7152	Date: 01/10/2024
Agency Preparation: Dave Merchant	Phone: 360-753-1620	Date: 02/01/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/01/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/02/2024

## 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.*

Section 1 - New section. The following acts or parts of acts implementing a tax on capital gains income in Washington State are repealed: RCW 82.87.010-150, RCW 82.074.4497, 2021 c 196 Sections 18 and 20.

This bill is assumed effective 90 days after the end of the 2024 legislative session.

### 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.*

Currently the Attorney General's Office (AGO) and the Department of Revenue (DOR) are funded for SSB 5096, which was enacted during the 2021 Legislative Session. Repealing the tax on capital gains income results in a savings for the AGO to DOR.

#### AGO AGENCY ASSUMPTIONS:

DOR will no longer be billed for non-King County rates, which results in a savings of:

FY 2024: -\$61,000 for -0.3 Assistant Attorney General FTE (AAG) and -0.2 Paralegal 1 FTE (PL1), which includes direct litigation costs of -\$2,000

FY 2025 and in each FY thereafter: -\$23,000 for -0.1 AAG and -0.1 PL1, which includes direct litigation costs of -\$500

### 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.*

#### Attorney General's Office (AGO) Agency Assumptions:

This bill is assumed effective 90 days after the end of the 2024 legislative session.

Location of staffing is assumed to be in a non-King County office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA) is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL1) and 0.4 MA.

1. The Attorney General's Office (AGO) Revenue and Finance Division (REV) has reviewed this initiative and determined it will not bill Department of Revenue (DOR) for anticipated legal services as this initiative repeals the tax on capital gains income, which results in a savings. The estimated reductions in litigation and client advice services are based on the estimates in the fiscal note for SSB 5096, which was enacted during the 2021 Legislative Session. There will be minimal legal advice as DOR deals with specific cases where a taxpayer alleges, they were entitled to a refund of the tax prior to the repeal. Some of these cases may become refund actions in superior court or go to the Board of Tax Appeals (BTA). The cases contesting assessments will drop as DOR can no longer collect the assessed taxes. Assuming REV handles the few refund actions after the repeal, there will be a larger corresponding drop in the need for legal services and cases anticipated when the Capital Gains Tax went into effect.



REV assumes a savings in the amount of:

FY 2024: -\$61,000 for -0.3 AAG and -0.2 PL, which includes direct litigation costs of -\$2,000

FY 2025 and in each FY thereafter: -\$23,000 for -0.1 AAG and -0.1 PL1, which includes direct litigation costs of -\$500

2. The AGO Administrative Division (ADM) has reviewed this bill and determined it will not increase or decrease the division’s workload. Therefore, no costs are included in this request.

3. The AGO Solicitor General’s Office (SGO) has reviewed this bill and determined it will not increase or decrease the division’s workload. Therefore, no costs are included in this request.

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
405-1	Legal Services Revolving Account	State	(61,000)	(23,000)	(84,000)	(46,000)	(46,000)
<b>Total \$</b>			(61,000)	(23,000)	(84,000)	(46,000)	(46,000)

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	(0.6)	(0.3)	(0.5)	(0.3)	(0.3)
A-Salaries and Wages	(40,000)	(15,000)	(55,000)	(30,000)	(30,000)
B-Employee Benefits	(12,000)	(5,000)	(17,000)	(10,000)	(10,000)
E-Goods and Other Services	(9,000)	(3,000)	(12,000)	(6,000)	(6,000)
<b>Total \$</b>	(61,000)	(23,000)	(84,000)	(46,000)	(46,000)

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Assistant Attorney General	129,100	(0.3)	(0.1)	(0.2)	(0.1)	(0.1)
Management Analyst 5	95,184	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Paralegal 1	69,072	(0.2)	(0.1)	(0.2)	(0.1)	(0.1)
<b>Total FTEs</b>		(0.6)	(0.3)	(0.5)	(0.3)	(0.3)

**III. D - Expenditures By Program (optional)**

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Revenue & Finance Division (REV)	(61,000)	(23,000)	(84,000)	(46,000)	(46,000)
<b>Total \$</b>	(61,000)	(23,000)	(84,000)	(46,000)	(46,000)

**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.*

# Department of Revenue Fiscal Note

<b>Bill Number:</b> 2109 XIL	<b>Title:</b> Taxes: Repeal an excise tax imposed on the sale or exchange of certain long-term capital assets by individuals who have annual capital gains of over \$250,000	<b>Agency:</b> 140-Department of Revenue
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## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

Account	FY 2024	FY 2025	2023-25	2025-27	2027-29
Education Legacy Trust Account-State 01 - Taxes 52 - Capital Gains Tax	(447,000,000)	(537,079,000)	(984,079,000)	(1,109,996,000)	(1,162,036,000)
Common School Construction Account-State 01 - Taxes 52 - Capital Gains Tax	(149,000,000)	(295,921,000)	(444,921,000)	(682,004,000)	(849,964,000)
<b>Total \$</b>	(596,000,000)	(833,000,000)	(1,429,000,000)	(1,792,000,000)	(2,012,000,000)

### Estimated Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.5	2.8	2.2	1.2	0.6
<b>Account</b>					
GF-STATE-State 001-1	(388,800)	349,900	(38,900)	283,600	131,500
<b>Total \$</b>	(388,800)	349,900	(38,900)	283,600	131,500

### 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: Tracey Taylor	Phone: 60-786-7152	Date: 01/10/2024
Agency Preparation: Sara del Moral	Phone: 60-534-1525	Date: 02/15/2024
Agency Approval: Valerie Torres	Phone: 60-534-1521	Date: 02/15/2024
OFM Review: Rachel Knutson	Phone: (360) 790-1475	Date: 02/15/2024

Request # X2109-3-3

## 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.*

Note: This fiscal note has been updated to reflect the February 2024 forecast and replaces fiscal note number X2109-1.

#### CURRENT LAW:

The Washington capital gains tax went into effect on January 1, 2022. The tax is imposed on the sale or exchange of long-term capital assets. Only individuals pay the tax, which equals 7% multiplied by an individual's Washington capital gains. An individual computes the amount of Washington capital gains by making certain adjustments to their federal net long-term capital gains. The tax only applies to capital gains from the sale or exchange of capital assets sourced in Washington.

To avoid taxing the same sale or exchange twice under both the business and occupation and capital gains tax, a business and occupation tax credit is available for sales or exchanges of long-term capital assets that are subject to both taxes.

#### PROPOSAL:

This initiative eliminates:

- The Washington capital gains tax.
- The business and occupation tax credit for sales or exchanges of long-term capital assets subject to the Washington capital gains tax.

#### EFFECTIVE DATE:

The bill takes effect 90 days after the final adjournment of the session.

### 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.*

#### ASSUMPTIONS:

- Initiative 2109 passes the legislature on or before March 7, 2024.
- Capital gains tax returns for tax year 2023 are due to the Department of Revenue (department) on April 15, 2024.
- Full repeal of the capital gains tax statutes is effective June 6, 2024.
- The department ceases all collection activities on the effective date.
- Capital gains taxes for tax year 2024, due in April 2025, will not be collected.
- Forecasted capital gains tax collections for fiscal year 2024 include:
  - Payments for tax year 2023, due in April 2024; and
  - Payments for tax year 2022 from taxpayers that had their filing deadline extended to October 2023.
- This estimate assumes compliance for tax year 2023 of 5%, all paid in fiscal year 2024.
- This estimate makes no adjustment to collections for tax year 2022 received in fiscal year 2024.
- Growth rate mirrors the long-term capital gains growth rate reflected in the Economic and Revenue Forecast Council's February 2024 forecast.

#### DATA SOURCES:

- Department of Revenue, Excise tax data
- Economic and Revenue Forecast Council, February 2024 forecast

#### REVENUE ESTIMATES

This initiative decreases state revenues by an estimated \$596 million in fiscal year 2024, and by \$833 million in fiscal year 2025, the first full year of impacted collections.

Request # X2109-3-3

TOTAL REVENUE IMPACT:

State Government (cash basis, \$000):

- FY 2024 - (\$ 596,000)
- FY 2025 - (\$ 833,000)
- FY 2026 - (\$ 873,000)
- FY 2027 - (\$ 919,000)
- FY 2028 - (\$ 979,000)
- FY 2029 - (\$ 1,033,000)

Local Government, if applicable (cash basis, \$000): None

**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.*

ASSUMPTIONS:

- The legislature passes the initiative in the 2024 regular session, and the effective date is June 6, 2024.
- All appropriation amounts and maintenance and operations amounts from the general fund for administration of the capital gains tax will end as of June 6, 2024. Unspent amounts from the general fund for fiscal year 2024 are provided as savings.
- The department will continue to incur costs related to the administration of the capital gains tax and the related B&O tax credit through the statutory period of four years plus the current year, ending on December 31, 2028. The department will incur additional costs starting on January 1, 2029, to decommission the capital gains tax and related B&O tax credit and test computer systems. These expenditures assume that the general fund will be the source of that funding.

FIRST YEAR COSTS:

The department will have net savings of \$388,800 in fiscal year 2024, this includes costs of \$189,400 that were netted out against unspent appropriations. These costs include:

Labor Costs – Time and effort equate to 1.5 FTEs.

- Begin the decommissioning process for capital gains tax and related B&O tax credit.
- Accounting activities for capital gains tax.
- Create special notice and update relevant information on the department’s website.
- Process paper correspondence, respond to web messages, answer phone questions and assist taxpayers with reporting and navigating the Department's web reporting portal.
- Process returns, payments, and all associated work items, including issuing refunds for overpayments.
- Amend three excise tax advisories (ETA).
- Amend one administrative rule.

Object Costs - \$2,300.

- Computer system changes, including contract programming.

SECOND YEAR COSTS:

The department will incur total costs of \$349,900 in fiscal year 2025. These costs include:

Labor Costs – Time and effort equate to 2.8 FTEs.

- Accounting activities for capital gains tax.
- Process paper correspondence, respond to web messages, answer phone questions and assist taxpayers with reporting and navigating the Department's web reporting portal.

- Process returns, payments, and all associated work items, including issuing refunds for overpayments.
- Hear administrative reviews that provide taxpayers with an informal, non-adversarial dispute resolution process for the review of a disputed action by the department, such as a denial of a refund request or tax ruling.

#### THIRD YEAR COSTS:

The department will incur total costs of \$171,800 in fiscal year 2026. These costs include:

Labor Costs – Time and effort equate to 1.4 FTEs.

- Accounting activities for capital gains tax.
- Process paper correspondence, respond to web messages, answer phone questions and assist taxpayers with reporting and navigating the Department's web reporting portal.
- Process returns, payments, and all associated work items, including issuing refunds for overpayments.
- Hear administrative reviews that provide taxpayers with an informal, non-adversarial dispute resolution process for the review of a disputed action by the department, such as a denial of a refund request or tax ruling.

#### FOURTH YEAR COSTS:

The department will incur total costs of \$111,800 in fiscal year 2027. These costs include:

Labor Costs – Time and effort equate to 0.9 FTE.

- Accounting activities for capital gains tax.
- Process returns, payments, and all associated work items, including issuing refunds for overpayments.
- Hear administrative reviews that provide taxpayers with an informal, non-adversarial dispute resolution process for the review of a disputed action by the department, such as a denial of a refund request or tax ruling.

#### FIFTH YEAR COSTS:

The department will incur total costs of \$71,300 in fiscal year 2028. These costs include:

Labor Costs – Time and effort equate to 0.6 FTE.

- Accounting activities for capital gains tax.
- Process returns, payments, and all associated work items, including issuing refunds for overpayments.
- Hear administrative reviews that provide taxpayers with an informal, non-adversarial dispute resolution process for the review of a disputed action by the department, such as a denial of a refund request or tax ruling.

#### SIXTH YEAR COSTS:

The department will incur total costs of \$60,200 in fiscal year 2029. These costs include:

Labor Costs – Time and effort equate to 0.5 FTE.

- Decommission the capital gains tax and related B&O tax credit.
- Accounting activities for capital gains tax.
- Process returns, payments, and all associated work items, including issuing refunds for overpayments.
- Hear administrative reviews that provide taxpayers with an informal, non-adversarial dispute resolution process for the review of a disputed action by the department, such as a denial of a refund request or tax ruling.

Object Costs - \$2,300.

- Computer system changes, including contract programming.

## Part III: Expenditure Detail

### III. A - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.5	2.8	2.2	1.2	0.6
A-Salaries and Wages	(30,600)	220,600	190,000	188,600	85,300
B-Employee Benefits	38,200	72,800	111,000	62,200	28,100
C-Professional Service Contracts	(386,900)		(386,900)		2,300
E-Goods and Other Services	(19,900)	39,600	19,700	25,700	12,500
J-Capital Outlays	10,400	16,900	27,300	7,100	3,300
<b>Total \$</b>	<b>\$(388,800)</b>	<b>\$349,900</b>	<b>\$(38,900)</b>	<b>\$283,600</b>	<b>\$131,500</b>

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
ADM ASST 3	46,596		0.1	0.1	0.1	
EMS BAND 4	131,684	0.0		0.0		
EMS BAND 5	153,836	0.0		0.0		
EXCISE TAX EX 2	58,104	0.2		0.1		
EXCISE TAX EX 3	64,092	0.3	1.0	0.7	0.1	0.1
FISCAL ANALYST 5	69,072	0.1	0.2	0.2	0.2	0.2
IT B A-JOURNEY	91,968	0.1	0.2	0.2	0.1	0.1
MGMT ANALYST4	76,188	0.0		0.0		
TAX POLICY SP 2	78,120	0.3		0.2		
TAX POLICY SP 3	88,416	0.2	0.8	0.5	0.6	0.2
TAX POLICY SP 4	95,184	0.0	0.1	0.1	0.1	
WMS BAND 2	98,456	0.2	0.4	0.3		
WMS BAND 3	111,992	0.0		0.0		
<b>Total FTEs</b>		<b>1.5</b>	<b>2.8</b>	<b>2.2</b>	<b>1.2</b>	<b>0.6</b>

### III. C - 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

## Part V: New Rule Making Required

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

Should this legislation become law, the department will use the expedited process to amend WAC 458-20-300, titled: "Capital gains excise tax - Overview and administration." Persons affected by this rulemaking would include individuals with capital

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gains and losses.