

Finance, Revenue and Bonding Committee

JOINT FAVORABLE REPORT

Bill No.: HB-5028

AN ACT REQUIRING AN ANALYSIS OF THE ADMINISTRATIVE COSTS OF

Title: COLLECTING STATE TAXES.

Vote Date: 4/5/2018

Vote Action: Joint Favorable Substitute

PH Date: 3/2/2018

File No.:

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SPONSORS OF BILL:

Introduced by:

Finance Revenue and Bonding Committee

Co-sponsors:

Rep. Robert C. Sampson, 80th Dist.

Rep. Craig C. Fishbein, 90th Dist.

Rep. John H. Frey, 111th Dist.

Rep. John Fusco, 81st Dist.

REASONS FOR BILL:

In an effort to simplify the state tax code and potentially make our state more business friendly as well as save the state unnecessary costs in administration fees this bill requires OPM to analyze the estimated collection costs of each tax and the revenue it generated in the prior three fiscal years and report to the Finance, Revenue and Bonding Committee on its analysis and recommendations for eliminating taxes that cost more to collect than they generate in revenue.

RESPONSE FROM ADMINISTRATION/AGENCY:

None

NATURE AND SOURCES OF SUPPORT:

Rep. Robert C. Sampson, 80th Dist.:

Rep. Sampson believes that this bill will help simplify the tax code, make the state more business friendly, and reduce unnecessary administrative costs. In his opinion, the state should not keep taxes that create more of a burden than a benefit.

Joe Horvath, Director of Legislative Outreach for the Yankee Institute for Public Policy: Mr. Horvath's testimony stressed that this bill is a solid, common-sense reform that would eliminate taxes that cause more harm than they generate as a benefit. It is his belief that the state should not spend more money to collect taxes than they are worth in revenue.

NATURE AND SOURCES OF OPPOSITION:

None

Reported by: Hayden Schwarm

Date: 4/13/18