

**UNSOLICITED
EXECUTIVE AGENCY
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: February 17, 2023

Agency Submitting: Department of Taxation

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Information Services (Expense)		\$15,744	\$18,384	
AG Cost Allocation Plan (Expense)		\$8,398		
Total	0	\$24,142	\$18,384	0

Explanation

(Use Additional Sheets of Attachments, if required)

In order to effectively administer the changes implemented by AB1, the Department of Taxation will be required to adjust the Sales and Use Tax rates on tax returns for all eligible counties, make form changes, update the Department's public-facing website, and notify the affected counties. The Department will also need to make enhancements to internal software programs to adjust for the rate change and bond calculation.

This request is for funding for Vendor Services for an IT Contract on the TaxMaster Software and MSA Programmer expenses to implement changes into the Department's computer system. The Department will incur an expense in the amount of \$15,744.00 for the first year of the biennium (FY24) and \$18,384.00 in the second year (FY25). The expense will not be recurring for future biennia.

This bill will require the Department to review the ordinance for legality and enter into an interlocal agreement with the local government. Assistance from the Attorney General's office is needed resulting in an allocation to fund the Deputy Attorney General assigned. The Department will incur an expense in the amount of \$8,398.00 for the first year of the biennium (FY24) for the cost allocation plan. This expense is one-time in nature.

Name Adriane Roberts-Larson

Title Deputy Executive Director -
Administrative Services