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FISCAL IMPACT REPORT

SPONSOR: Campos DATE TYPED: 03/06/01 HB _____
 SHORT TITLE: Change Deadline for Delinquent Tax Payment SB 356/aSFC
 ANALYST: Williams/Rael

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		NFI			

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB138

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
		No Significant Fiscal Impact - See Narrative		

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files
 Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of SFC Amendment

The Senate Finance Committee amendment adds a new section amending section 7-38-67 to provide for publishing notice in a local newspaper. Notice may still be published in a newspaper of general circulation in addition to the local newspaper. If there is no local county or municipal newspaper, notice may be published in a county contiguous to the county in which the real property is located.

Synopsis of Original Bill

The bill would change the due date for delinquent property taxes and associated penalties, interest and costs (or related installment agreement) to 5:00 p.m. of the day prior to the date of sale, rather than the day of the sale. These requirements are also made subject to provisions that: 1) if the last day to meet the requirements falls on a weekend or holiday, the requirement falls on the next working day and 2) Mailed transactions are acceptable if the postmark reflects the required date. The bill would be effective on July 1, 2001.

FISCAL IMPLICATIONS

Significant fiscal impacts are not expected.

ADMINISTRATIVE IMPLICATIONS

TRD notes the provisions could improve efficiency of the property tax system.

TECHNICAL ISSUES

TRD notes the Department may not be aware of the situation in which taxes are paid by mail and postmarked on a day prior to sale, but the payment has not yet been received by TRD. TRD proposes requiring receipt of payment by the deadline through regulation.

POSSIBLE QUESTIONS

1. Under “Technical Issues”, TRD notes “As a practical matter, the Department would probably continue to accept payment on the date of sale in many cases. It would not be required to do so, however.” Who would determine this outcome and on what criteria?
2. Does the legislation appropriately address alternative forms of payment such as payment via overnight courier and potentially Internet payment applications?

AW:FAR/njw:ar