



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2015 Biennium

<b>Bill #</b>	SB0179	<b>Title:</b>	Revise filing requirements for pass-through entities
<b>Primary Sponsor:</b>	Kaufmann, Christine	<b>Status:</b>	As Amended in Senate Committee

- Significant Local Gov Impact     
 Needs to be included in HB 2     
 Technical Concerns  
 Included in the Executive Budget     
 Significant Long-Term Impacts     
 Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** SB 179, as amended, requires a partnership with more than 100 partners to transmit partnership returns electronically to the Department of Revenue. The requirement can be waived if such filing is a hardship. These entities are currently required to file electronically to the IRS. There is no fiscal impact to the state.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Revenue**

- SB 179, as amended, requires a partnership with more than 100 partners to transmit the partnership returns electronically to the Department of Revenue in a format approved by the department, along with any IRS tax forms currently required to be attached. A taxpayer meeting the 100 plus partner threshold who does not file electronically will be considered to have not filed, and will be subject to the penalties that apply under current law. This requirement can be waived if a partnership can demonstrate, at least 30 days before the due date, that electronic filing would be a hardship, or if software that allows electronic filing is not readily available. Since the IRS now requires electronic filing by these large partnerships, the electronic filing requirement is not expected to be a hardship for most affected taxpayers.
- If passed, the new electronic filing requirement for partnerships would be effective for tax returns and reports after the effective date of the act, July 1, 2013.

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*Sponsor's Initials*

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*Date*

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*Budget Director's Initials*

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*Date*