



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1198

PRINTERS NO. 2683

PRIME SPONSOR: Dunbar

COST / (SAVINGS)

FUND	FY 2015/16	FY 2016/17
General Fund	See fiscal impact	See fiscal impact

SUMMARY: House Bill 1198, Printer's Number 2683, amends the Tax Reform Code further providing for crimes in sales and use tax and providing for amended reports in corporate net income tax.

ANALYSIS: This legislation adds new subsections in the sales and use tax under Section 268 (crimes) making it illegal to use sales zapper devices, phantomware and other automated sales suppression devices.

Furthermore, the legislation adds Section 406.1 (Amended Reports) providing a process for filing amended reports for the corporate net income tax. Language is added allowing a corporate taxpayer to file an amended report, within three years after the filing of the original report, notifying the Department of Revenue of a correction to the original report and providing additional information that the taxpayer requests the department to consider. The department shall review the amended report and the information submitted with the amended report within one year of its filing. The department shall provide the taxpayer with a written notice advising whether the amended report was accepted and provide an explanation of the actions of the department. If the taxpayer disagrees with the decision of the department, the taxpayer may file an appeal within 90 days of the mailing date.

The act shall take effect immediately and the addition of Section 406.1 shall apply to amended reports filed on or after the effective date of the bill.

FISCAL IMPACT: Enactment of this legislation will generate an unknown amount of additional tax revenue to the Commonwealth to the extent that this legislation deters the use of sales suppression devices currently utilized to avoid collecting and remitting tax to the Commonwealth. The addition of Section 406.1 will have no adverse fiscal impact on Commonwealth funds.

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House Appropriations Committee (R)

DATE: December 19, 2015

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.