



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1232

PRINTERS NO. 1444

PRIME SPONSOR: Dunbar

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	\$0	\$0

SUMMARY: House Bill 1232, printer's number 1444, amends the act of April 9, 1929 (P.L. 343, No. 176), known as The Fiscal Code, to provide for the Enhanced Revenue Collection Account, in 2018-19 budget implementation, and further providing for Department of Revenue and making an editorial change.

The effective date is July 1, 2019, or immediately, whichever occurs later.

ANALYSIS: The bill amends Article XVII-A.1 of The Fiscal Code by adding a new subarticle (proposed as subarticle G) to permanently establish the Enhanced Revenue Collection Account (ERCA) restricted account within the General Fund. Revenues collected and the amount of refunds avoided as a result of expanded tax return reviews and tax collection activities by the Department of Revenue shall be deposited into the account. The General Assembly may appropriate money in the account to the Department of Revenue to fund the costs associated with expanded tax return reviews and tax collection activities. After appropriations for the operational costs of the ERCA program, money in the ERCA restricted account shall be returned proportionately to the General Fund revenue or refund accounts that were the source of the money no later than the 28th day of each month of the fiscal year.

By June 1, 2020, and each June 1 thereafter, the department will generate a report to the governor and General Assembly including a detailed breakdown of administrative costs, the amount of revenue collected, and the amount of refunds avoided.

The bill also amends Section 1730-H of The Fiscal Code (relating to the ERCA program in the 2018-2019 budget implementation section of the bill) by removing language relating to the restricted account and appropriation at the end of the 2018-19 fiscal year.

FISCAL IMPACT: The enactment of this legislation will have no adverse impact on Commonwealth funds.

PREPARED BY: Lisa Taglang
House Appropriations Committee (R)

DATE: June 11, 2019

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