

1960-S

Sponsor(s): House Committee on Finance (originally sponsored by Representatives Cairnes, Reardon, Huff, Linville, Carrell, Campbell, Mulliken, O'Brien and Koster)

Brief Title: Revising laws impacting retailer tax collection and remittance.

**HB 1960-S - DIGEST**

(AS OF HOUSE 2ND READING 3/17/99)

Authorizes the department of revenue to implement through rule a procedure for the remittance of estimated tax if, after review and examination of the advantages and disadvantages to the department and to taxpayers, the department finds that the advantages outweigh the disadvantages and that implementation would be an improvement over the existing reporting system. As part of the review and examination, the department shall seek input from taxpayers on this issue and shall consult with other states regarding experience with estimated tax. The department must make a "yes" or "no" decision regarding whether it will implement an estimated tax procedure by December 1, 1999, and shall in writing inform the fiscal committees of the senate and the house of representatives of the decision to proceed or not proceed with a rule.

Finds that retailers have an important role in the state's tax system by collecting sales tax from consumers and remitting it to the state. Changes to the tax system, such as rate or exemption changes place an accounting and organizational burden on these businesses. In recognition of that burden, it is the intent of the legislature to limit changes to state and local sales and use tax to once a year.

Declares an intent to require the local government enacting or revising a tax to give advance notice to the department of revenue of any such change so that the department may provide adequate notice to retailers of pending changes.