

SESSION OF 2009

**SUPPLEMENTAL NOTE ON
SUBSTITUTE FOR SENATE BILL NO. 337**

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

Sub. for SB 337 would grant the Secretary of Revenue additional authority to equitably resolve certain audit-related assessments that are pending in the administrative appeals process or the State Court of Tax Appeals; or are pending in the judicial review process before any state or federal district or appellate court. The settlement authority would include the ability to resolve amounts of tax, penalty, and interest in question.

Background

The original bill would have provided a more specific tax amnesty program similar in nature to one enacted in 2003. The Senate Assessment and Taxation Committee amended the bill at the suggestion of Secretary Wagnon to remove the original provisions and replace them with the authorization of the new settlement authority.

Secretary Wagnon said that if Sub. for SB 337 were to be enacted, she would expect to settle additional assessments in FY 2010 such that an additional \$35 million in tax collections would accrue to the State General Fund (SGF) than is anticipated under the current Consensus estimate. She said that the settlement revenues would come from both businesses and individuals and from a variety of different taxes.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>