

SUBCOMMITTEE RECOMMENDATION

SB 5537

Department of Revenue

To:	Ways and Means Full Committee
From:	General Government Subcommittee
Carrier:	Representative Smith

SB 5537 is the budget bill for the Department of Revenue. DOR administers almost 40 tax programs, collecting 97 percent of the state’s General Fund revenue. DOR oversees the county property tax function and collects and distributes taxes and fees for other state agencies and local governments. The Department operates two tax relief programs for the elderly and persons with disabilities.

The Subcommittee approved a total funds budget of \$369.3 million and 1,105 positions (1045.62 FTE) for the 2021-23 biennium. The budget consists of a General Fund appropriation of \$219.7 million and \$150 million Other Funds. This represents a 5% increase in total funds from the 2019-21 legislatively approved budget and an 8.2% from the Current Service Level.

The budget continues investments in Gentax, the agency’s tax administration program, and ongoing vendor support and data processing costs for the post-implementation of its high-speed scanner project. Funding is also included for the administration of Corporate Activity Tax program; implementation of the Statewide Transit Tax and Ballot Measure 108; and seasonal positions to address increased tax processing workload during tax season. In total, \$8.6 million of General Fund was invested in the Department above the current service level.

The Subcommittee approved the agency’s Key Performance Measures and targets.

The General Government Subcommittee recommends SB 5537 be amended by the –1 amendment and be reported out do pass, as amended.