

SUBCOMMITTEE RECOMMENDATION

HB 5038 Board of Tax Practitioners

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

HB 5038 is the budget bill for the Board of Tax Practitioners.

The Board of Tax Practitioners licenses and oversees tax preparers, tax consultants, and tax businesses by developing competency examinations, monitoring continuing education requirements, and investigating complaints and taking disciplinary action when appropriate. The Board is primarily supported by annual licensing and business registration fees, as well as civil penalties, exam application fees, fines and forfeitures, and interest.

The 2023-25 recommended budget is \$1,144,206 Other Funds, 2 positions, and 2.00 FTE, which represents a 2.5 percent reduction from the 2023-25 current service level. The recommended budget includes a reduction of \$59,659 Other Funds in rental costs, due to the Board becoming a remote state agency in February 2023. The recommended budget also includes a permanent expenditure increase of \$30,000 Other Funds to account for an increase in Attorney General billings related to contested case hearings, which were higher than expected in the 2021-23 biennium. In total, the recommended budget reduces the Board's expenditure limitation by \$29,659 Other Funds from the current service level.

The General Government Subcommittee recommends HB 5038 be amended by the –1 amendment and be reported out do pass, as amended.