

## STATEMENT OF PURPOSE

### RS25023C2

Idaho Code Section 1-1624 permits the Idaho Supreme Court to seize state tax refunds and credits owing to taxpayers who are delinquent in paying debts owed to the courts. Such debts include fines, court costs, surcharges, penalties, fees, restitution, the cost of indigent defense services and "other charges" (which could include costs of supervision for probationers and parolees) in a criminal or civil case judgment or payment agreement. This legislation amends the statute to require that payment agreements enforced by tax refund seizures (i) be filed with the court and placed in its case file; (ii) be approved by the court; (iii) provide that all payments shall be made to the clerk of the court; and (iv) notify taxpayers of payment due dates, the statute's tax refund seizure remedy for enforcing payment and the statutory right to object to seizure. The legislation further amends the statute to make clear that those who skip some monthly payments after previously paying ahead, but whose aggregate payments still equal or exceed the total amount of required payments, will no longer be regarded as "delinquent." The legislation includes other changes to promote consistent and appropriate administration, removes the reference to civil cases as tax refund seizures are apparently not used for them, and makes clarifying and technical changes in terminology.

### FISCAL NOTE

Increased appropriations are not anticipated. The Court's new Odyssey IT system will be reprogrammed by its staff to take account of the amended definition of "delinquent" at little cost. For counties still using ISTARs, reprogramming is not an option and the Court will identify improper tax refund seizures from objections filed with it. There will be some additional objection hearings, at little cost, until Odyssey's full implementation. The amended definition of "delinquent" may reduce revenue to some degree, but the amount is unknown and it is arguable that these amounts should not have been seized under the existing statute. The total amount seized by the Court in 2016 was \$3,123,377. County level costs associated with court approval of payment agreements might increase to some degree, but the amount is unknown and expected to be absorbed within existing budgets. Together with other legislation, any additional workload could eventually lead to increased county court budgets.

#### Contact:

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**DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).**