

STATEMENT OF PURPOSE

RS25668

This bill would allow the Tax Commission to cancel a tobacco permit after 12 months of inactivity. The Tax Commission will reach out to permit holders during an annual review process and permits would only be closed after two warning letters were sent advising the permit holder of the pending action. Permit holders can request the account to stay in effect. Twenty-six inactive accounts have been identified.

FISCAL NOTE

There is some cost to send the warning letters and to conduct the cancellation process. However, the cost savings of not sending requests for missing tax returns and monitoring dormant permits should fully offset the cost of canceling permits. We expect the net cost to be zero for the first year with a net savings in all future years. After the initial warning letters, the postage savings continue indefinitely.

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).