TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE

FISCAL MEMORANDUM

HB 2406 – SB 2422

February 22, 2012

SUMMARY OF AMENDMENT (013262): Requires the Department of Revenue (DOR) to grant a filing extension of six months when extension-requesting franchise and excise taxpayers pay the lesser of 90 percent of the tax liability for the tax year for which the extension is being requested, or 100 percent of the tax shown due on the return of the extension-requesting taxpayer for the preceding tax year. Requires any such payment be made on or before the original due date in order for the six-month extension to be granted.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue - $300,000

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions applied to amendment:

- According to DOR, this bill as amended will not reduce any penalty fees otherwise owed the Department.
- The levy of franchise and excise tax, and any resulting franchise and excise tax revenue, are assumed to remain unchanged. Therefore, any fiscal impact occurring as a result of this bill as amended is considered not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Lucian D. Geise, Executive Director

/rnc