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HOUSE JOINT RESOLUTION NO. 663

Offered January 23, 1995

Requesting the Department of Taxation to study the feasibility and effects of allowing taxpayers to pay state taxes directly to the Department of Taxation.

Patron—Purkey

Referred to Committee on Rules

WHEREAS, under current tax law, individuals are required to file their income tax return with the commissioner of the revenue for the county or city in which they reside, and fiduciaries are required to file an income tax return for resident estates and trusts with the commissioner of the revenue having jurisdiction in the county or city in which the fiduciary qualified; and

WHEREAS, commissioners are available to provide assistance to residents in their jurisdiction in the completion of such income tax returns; and

WHEREAS, each commissioner is required to audit the returns and then deliver them to the Department of Taxation which shall then examine and audit the return also; and

WHEREAS, commissioners must also deliver any accompanying payment to the treasurer within two banking days of receipt of such return; and

WHEREAS, the commissioners of the revenue or assessing officers may request that the filing of such state income tax returns be made directly to the Department of Taxation; and

WHEREAS, this dual system of administration of the state income tax should be examined to determine if is the most efficient method to collect such taxes; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Department of Taxation be requested to study the feasibility and effects of allowing taxpayers to pay state income taxes directly to the Department of Taxation and not to the local commissioners of the revenue or other assessing officer. The Department shall determine (i) the advantages and disadvantages, (ii) the cost savings, and (iii) the advisability of allowing taxpayers to submit their returns directly to the Department.

The Department shall complete its work in time to submit its findings and recommendations to the Governor and the General Assembly no later than November 1, 1995 as provided in the procedures of the Division of Legislative Automated Systems for processing legislative documents.

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