

MINNESOTA • REVENUE

Individual Income Tax Grants for Taxpayer Assistance

March 21, 2003

	Yes	No
Separate Official Fiscal Note Requested		
Fiscal Impact		
DOR Administrative Costs/Savings		

Department of Revenue
Analysis of H.F. 733 (Walker) / S.F. 868 (Rest)

	<u>Revenue Gain or (Loss)</u>			
	<u>F.Y. 2004</u>	<u>F.Y. 2005</u>	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>
General Fund	(\$250)	\$0	\$0	\$0

(000's)

Effective July 1, 2003.

EXPLANATION OF THE BILL

The bill appropriates \$250,000 from the general fund to the Commissioner of Revenue for grants to one or more nonprofit organizations for taxpayer assistance services. The appropriation would be available for fiscal years 2004 and 2005.

The grants would be used to coordinate, facilitate, encourage, and aid in the provision of taxpayer assistance services. As defined in the bill, the term "taxpayer assistance services" means accounting and tax preparation services provided by volunteers to low-income and disadvantaged Minnesota residents to help them file federal and state income tax returns and Minnesota property tax refund claims. It would also include personal representation before the Department of Revenue and Internal Revenue Service.

REVENUE ANALYSIS DETAIL

- The impact of the bill on the general fund is the direct appropriation of \$250,000. The bill specifies that the appropriation would not become part of the base.

Number of Entities Affected: One or more nonprofit organizations would receive grants.

Source: Minnesota Department of Revenue
Tax Research Division
<http://www.taxes.state.mn.us/polic.html#analyses>

