



CITY OF OPPORTUNITY

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The Honorable Derek Merrin
Chairman
House Ways and Means Committee

Dear Chairman Merrin;

I appreciate the opportunity to write regarding my opposition to HB 519.

The first part of HB 519 would prohibit municipal tax administrators from sending notices prior to the October extension due date if the taxpayer receives an extension and requires that if a municipal tax administrator sends a notice to a taxpayer who has received an extension, the municipality must reimburse the taxpayer for "reasonable costs" associated with responding to the notice.

In the bill "reasonable costs" are not defined and it is not clear how these costs will be determined. This leaves the municipalities vulnerable to unknown financial impacts and litigation that would cost taxpayer dollars. Municipalities with population that is less than 250,000 do not have access to IRS records and do not know if an extension has been filed unless notified by the taxpayer.

Notices from municipal tax offices can help reduce the late filing fees for people who forgot to file. If we were to wait six months after the original filing due date, and the taxpayer did not have an extension but owes taxes, their penalty and interest is increasing for an additional amount of time, where a letter may have served to curtail the amount of time the return is late. These letters assist the municipalities in offering good customer service.

The second part of the bill eliminates the penalty for not filing a legally required tax return if the taxpayer does not have a balance. Municipalities rely heavily on tax revenue, which also funds police and fire services. Without the ability to enforce mandatory filing, many taxpayers have no consequences to not filing. Some taxpayers will not file a return unless there is a monetary fee to enforce filing.

Currently taxpayers can, and do, request the waiving of their fees. It is a benefit to tax administrators to have the ability to work with the resident(s) when the taxpayer is not habitually late.

Thank you for your consideration of our concerns on HB 519.

Respectfully,

Julie Hartford
Tax Administrator
City of Oregon, OH

