Fiscal Note & Local Impact Statement

123 rd General Assembly of Ohio

BILL:	**H.B. 262**	DATE:	**October 12, 1999**
STATUS:	**As Passed By The House**	SPONSOR:	**Rep. Roman**

LOCAL IMPACT STATEMENT REQUIRED: **No — No local cost**

CONTENTS: **Prohibits the Department of Taxation from putting social security numbers on the outside of materials mailed to taxpayers.**

State Fiscal Highlights

- The Department of Taxation will have a one-time General Revenue Fund expenditure in fiscal year 2000 of up to several million dollars when the system is changed. The new system is planned to be ready for calendar year 1999 and filed in April, 2000.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill prohibits the Department of Taxation from putting social security numbers on the outside of materials mailed to taxpayers. Currently, the Department of Taxation places a taxpayer's social security number on a peel-off label used in filing their income tax return. This label allows the Department of Taxation to mail tax information booklets and process the taxpayer's return. In removing the taxpayer's social security number, the current processing system of distributing and receiving tax information would need to be altered, possibly requiring a new system. The Department of Taxation has chosen the option of encrypting the individual's social security on the label. There will not be an additional printing cost, but a one-time General Revenue Fund expenditure as the current system is modified for encrypting social security numbers. The Department of Taxation hopes to have the new system in place for the next tax season, calendar year 1999 and filed in April, 2000.

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