

To: House Ways and Means Committee
From: Devon Green, Special Counsel, Department of Taxes
Date: February 12, 2014
Re: Supplemental information on Administration's proposal requiring taxpayers to report income changes for property tax adjustment claims

The committee requested more information on Section 13, the requirement to report income changes for property tax adjustment claims, of Version 1.1 of the Draft Nonrevenue Miscellaneous Tax Bill provisions.

- **Timing:** The Tax Department typically does not receive the federal information necessary to adjust property tax income until 18 months after the filing deadline. If the information is from prior years, it may take even longer to reconcile. A reporting requirement would increase the Tax Department's efficiency in reconciling the property tax adjustments.
- **60 Day Requirement:** The current language requires taxpayers to report a change within 60 days. The Tax Department may be able to extend this requirement and is looking into this option.
- **Outreach:** The Tax Department will put notifications on tax forms about the reporting requirement and will reach out to taxpayers to raise awareness about this requirement.

