

AMENDMENT PROPOSED TO

HOUSE BILL NO. 1195

By Pemling

Am #1

AMEND IN SECTION 2 AS FOLLOWS:

On line 77, insert: (a) Except as otherwise provided in this section,

On line 89, insert: (b) (i) If an individual return is timely filed by the taxpayer and the amount of tax liability (determined without regard to interest, penalties, additions to the tax and additional amounts) of the taxpayer exceeds Seventy-five Dollars (\$75.00) but does not exceed Three Thousand Dollars (\$3,000.00), the taxpayer may request to pay the tax liability through an installment agreement. The taxpayer must file such a request with the return and must provide all information required by the commissioner. If the commissioner determines a taxpayer is financially unable to pay the tax liability, the commissioner may enter into an agreement to accept payment of the tax liability in installments if:

1. The taxpayer (and the taxpayer's spouse if the tax liability relates to a joint return), during any of the preceding five (5) years, has not: a. failed to file any return required by this chapter, b. failed to pay any tax required by this chapter or c. entered into an installment agreement under this paragraph (b);
2. The agreement requires full payment of the tax liability in equal installments within twelve (12) months from the date the return was filed; and
3. The taxpayer agrees to comply with the terms of the agreement.

(ii) Payments made through an installment agreement shall be subject to the interest provisions of subsection (3) of this section.

(iii) The commissioner may terminate an installment agreement entered into under this paragraph (b) if he determines the taxpayer provided inaccurate or incomplete

information before the agreement was entered into or he believes the collection of the tax to which the agreement relates is in jeopardy.

(iv) The commissioner may modify or terminate an installment agreement entered into under this paragraph (b) if the taxpayer fails to:

1. Pay any installment due under the agreement;
2. Pay any other tax liability due under this chapter when the liability is due; or
3. Provide a statement of financial condition required by the commissioner.

On line 120, insert: or installment agreement, or both,

AMEND TITLE (to conform) (as follows):