

Number one, the account will not be turned over to the collection agency until at least three attempts have been made, three attempts. There will be three pieces of correspondence going out to the delinquent taxpayer including one by certified mail. Secondly, this bill only is permissive in that it only allows the Revenue Department to agree to pay as much as 50% of the taxes collected. So it could be something less than that but we picked 50% because that has been a figure which has been used in the collection of very small accounts by the collection industry in the state.

SENATOR KREMER: Thank you, Senator Johnson.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Senator Wesely. We've got one, two, three, four, five, six more. Senator Wesely.

SENATOR WESELY: Senator Johnson, I've got a question.

SENATOR JOHNSON. Yes, Senator Wesely.

SENATOR WESELY: The 50% figure, is that, you say that is the maximum but would that be also the minimum or would the Department of Revenue have an option as to what figure to actually set for the reimbursement to the collection agency that would be contracted with?

SENATOR JOHNSON: Yes, the Department of Revenue would have the ability to work out an appropriate figure and as you can see from, I am just looking at page two on the bottom lines, it says that the fee shall be based on the amount collected. In any event the Revenue Department shall provide for the payment of the fees for such services reimbursement or other remuneration not in excess of 50% of the total amount of delinquent taxes, penalties and interest actually collected. So that is just the maximum. That is the ceiling so it could be less than that but we give them flexibility.

SENATOR WESELY: Okay. Thank you very much. I guess if we are able to collect taxes we wouldn't otherwise be able to acquire, it seems to be a reasonable step to take but having to at the price of losing 50% of those taxes, I think that should be a last resort step to take and evidently that is what this bill would allow. I think I will pass it up one.

SPEAKER MARVEL: Senator Newell.

SENATOR NEWELL: Mr. President, members of the body, I rise