



ADAM JARCHOW

STATE REPRESENTATIVE • 28TH ASSEMBLY DISTRICT

For Immediate Release
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JARCHOW PROPOSES ELIMINATING AUDITOR POSITIONS

Madison— Today, Rep. Adam Jarchow (R-Balsam Lake) introduced LRB 3257/1 which would eliminate 70 of the 102 new auditor positions created at the Department of Revenue (DOR). We recently learned that, in the last biennium, the State collected \$71 Million more than the Legislative Fiscal Bureau (Fiscal Bureau) projected. As a result, we will start the 2015-16 biennium with \$71 Million more than anticipated a few months ago when the budget was signed into law. It was our understanding that Fiscal Bureau projects each additional auditor position will result in an additional \$1 Million in revenue over the biennium. Thus, as a result of the unanticipated \$71 million in revenue, at least 70 of the new auditor positions are not necessary.

For a small business, an audit is not an easy process. It means lost time, money and manpower. It means taking time otherwise spent growing the business to pour over boxes of paperwork. It often means paying a CPA or attorney (or both) thousands of dollars to help with the process. We know that the vast majority of businesses in this state are trying to do the right thing and follow the law. We also know mistakes are made. However, the cost and fear suffered by a business owner when audited is significant. Too often, instead of the audit process being a helpful training tool, it turns into a game of high-stakes “gotcha”. Until that process is reformed, we should not be adding more auditors than absolutely necessary.

Rep. Jarchow commented on the bill: “Many of us were very concerned about the creation of the new auditor positions. As a result of the additional \$71 Million in revenue, some of the additional auditor positions are simply not necessary. Small businesses have a hard enough time staying afloat without the time and energy needed to comply with an audit. We can make the audit process work better for all stakeholders. Until that happens, we should not be adding any auditor positions that are not absolutely necessary.”

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Representative Jarchow proudly represents the 28th Assembly District which consists of parts of St. Croix, Polk and Burnett counties.