

# FISCAL NOTE

Requested by Legislative Council

01/14/2005

Bill/Resolution No.: SB 2217

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

2003-2005 Biennium			2005-2007 Biennium		2007-2009 Biennium	
General Fund	Other Funds		General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB 2217 creates two corporate income tax credits for suppliers and sellers of biodiesel fuel, and a sales tax exemption for sellers of biodiesel fuel. It also provides a 5-cent per gallon reduction in the special fuels tax rate for sales of B5 fuel, with the associated revenue loss to the highway distribution fund being made up with transfers from the resources trust fund. The fiscal impact of SB 2217 cannot be estimated because it is unknown to what degree the tax credits and exemptions for biodiesel fuel will be utilized.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

**Name:** Kathryn L. Strombeck  
**Phone Number:** 328-3402

**Agency:** Office of Tax Commissioner  
**Date Prepared:** 01/31/2005