

# FISCAL NOTE

Requested by Legislative Council

02/17/2005

Amendment to: SB 2018

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	(\$250,000)		(\$3,000,000)			
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.*

Sections 27 through 32 of Engrossed SB 2018 have provisions relating to the seed capital investment tax credit program. Section 41 requires the tax commissioner to study corporate income tax. This fiscal note addresses these sections only.

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.*

The provisions of Engrossed SB 2018 are expected to decrease state general fund revenues by \$250,000 in FY 05, and \$3,000,000 in the 2005-07 biennium. This assumes the caps on the seed capital investment tax credit are reached. If the caps on the credit are not reached, the fiscal impact will be less.

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.*

Section 41 of Engrossed SB 2018 requires the Tax Commissioner to study corporate income taxes and authorizes the Department to contract with a third party to conduct the study. This will involve additional expenditures, the amount of which is currently unknown.

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.*

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**Agency:** Office of Tax Commissioner  
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