

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/10/2007

Bill/Resolution No.: SB 2150

**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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$70,000		\$10,000	
Appropriations			\$70,000		\$10,000	

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2A. Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Gaming, pull-tab excise, and bingo sales tax deductions are used to compute an organization's adjusted and net proceeds. This bill will be very difficult to implement since the tax deductions would keep changing in order to avoid taxes exceeding 50% of organization's net proceeds.

**B. Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The estimated fiscal impact of this bill on revenues is not possible to predict due to the changing tax amounts discussed above.

This bill will require a significant rewrite of the Gaming tax return system. This will be a nine month project, which will exceed the August 1, 2007 deadline for the change.

Due to the complicated calculations, gaming organizations will be able to complete only a portion of the tax return, and then need to send it to this office to calculate the taxes due.

**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 estimated general fund revenue impact of this bill is not possible to predict due to the changing tax amounts discussed above. However, the bill will significantly decrease revenues to the state from gaming and pull-tab excise taxes.

**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.*

This bill will require a significant rewrite of the Gaming tax return system. This will be a nine month project, which will exceed the August 1, 2007, deadline for the change.

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a*

*continuing appropriation.*

A general fund appropriation of \$70,000 will be needed to implement the provisions of this bill. A 2009-11 biennium appropriation is reflected to maintain the changes to the Gaming system.

<b>Name:</b>	Kathy Roll	<b>Agency:</b>	Office of Attorney General
<b>Phone Number:</b>	328-3622	<b>Date Prepared:</b>	01/12/2007