

FISCAL NOTE
Requested by Legislative Council
01/02/2013

Revised
Bill/Resolution No.: HB 1044

- 1 A. **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.*

| | 2011-2013 Biennium | | 2013-2015 Biennium | | 2015-2017 Biennium | |
|----------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | | | |
| Expenditures | | | | | | |
| Appropriations | | | \$384,000,000 | | | |

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

| | 2011-2013 Biennium | 2013-2015 Biennium | 2015-2017 Biennium |
|------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | | |
| Townships | | | |

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

HB 1044 creates a residential property tax credit for residents of the state equal to the tax on the first \$75,000 of valuation for a person's primary residence, and up to \$125,000 of valuation for a person's primary residence if they are age 65 or older.

- 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.*

Section 1 of HB 1044 creates the residential property tax credit and authorizes the state to reimburse the counties for the amount of the credit. The bill also provides for the payment of the one-mill state medical center fund levy that would be due on the valuation reduction allowed in this bill, holding the medical center fund "harmless". The total amount of property tax credit created by HB 1044 is estimated to be \$384 million for the 2013-15 biennium. This fiscal impact assumes the continuation of the existing mill levy reduction grants at the current level.

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, 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.*

Section 2 of HB 1044 appropriates \$384 million from the state general fund to the state treasurer for purposes of payments to counties in the amount of the residential property tax credit.

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