

FISCAL NOTE
SENATE BILL NO. 2377
LC# 23.1111.01000
01/26/2023

1 - 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.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

SB 2377 amends and reenacts state-tribal agreements for the administration and collection of alcoholic beverages wholesale and gross receipt tax within the exterior boundaries of a reservation in this state and with the Trenton Service Area.

4 - Fiscal Impact Sections Detail

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 SB 2377 would add areas within the Trenton Service Area to the enter the state-tribal alcoholic beverages wholesale tax, tobacco products wholesale tax, and alcoholic beverages gross receipts tax agreements.

Section 3 of SB 2377 would add areas within the Trenton Service Area to enter into the alcoholic beverages

wholesale tax agreement. This agreement requires an allocation of 80% of the revenues collected to the tribe, with the remaining 20% allocated to the state from the alcoholic beverages wholesale tax.

Section 4 of SB 2377 would add areas within the Trenton Service Area to enter into the alcoholic beverages gross receipts tax agreement. This agreement requires an allocation of 80% of the revenues collected to the tribe, with the remaining 20% allocated to the state from the alcoholic beverages gross receipts tax.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

If enacted, SB 2377 could create an increase in the state general fund and state aid distribution fund. The increase in revenue is dependent on several undetermined factors. This includes the date on which tribes enter into an agreement with the state, when the agreement will become effective, as well as the amount of taxable sales made. Due to these factors, the Office of State Tax Commissioner is unable to provide a reliable estimate for this revenue reduction amount.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

Contact Information

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