

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

HOUSE BILL NO. 698

(list bill or resolution and number, if available, or subject

Amentment to:

(list bill or resolution and number)

REQUESTED BY: _____

DATE OF RECEIPT _____

19__

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed attach a supplementary sheet. Please type.

**Estimated revenue increase under House Bill No. 698 for the next biennium:
(In millions of dollars)**

Individual income tax-----	7.0
Corporate income tax-----	3.0
General withholding-----	
a. Increase in collections-----	.8
b. New revenue for this biennium only-----	<u>1.1</u>

Gross increase in revenue-----11.9

Specific appropriation for replacement of last personal property taxes (inadvertently omitted from bill but is mentioned in the title to the bill - amendment will be prepared)-----5.6

Net revenue increase by this bill-----6.3

Bank tax distribution is made to the local governmental units as are property taxes, therefore, little revenue (less than 1/50 of the increase) will be received by the general fund from this tax increase.

Date of preparation: January 29, 1965

Signed Office of the State Tax Commissioner

By

Kenneth M. Jakes
Kenneth M. Jakes

NEW REVENUE IN HOUSE BILL 698.

Income tax: Individual income tax, \$4.9; corporate income tax, \$2.7; expected increase in collections due to withholding, \$900,000; shifting of income into this biennium due to withholding, \$1.1 million.

Sales and use tax: Total broadening to alcoholic beverages, tobacco products and additional services @ 2%, \$5.2 million.

Special 1% sales and use tax for replacement of personal property taxes: biennial collections for this fund expected to be \$22.2. Payment due from this fund January 1, 1967 will be about \$12.3 million.

Bill appropriates \$5.6 million for replacement of certain personal property replacement.

Net gain to general fund: \$11.1 million.