

AMENDED
FISCAL NOTE TO
S B 43

The additional $\frac{1}{2}$ of 1% tax on net income under Section 1 of the bill would first apply to the 1966 income tax returns that would be filed in the period of January 1-April 15 of 1967; the appropriation in subsection 2 of section 2 of the bill would become effective for the year 1967. Therefore S B 43 would affect only the last year of the 1965-1967 biennium.

The estimated effect for the one year is as follows:

Additional $\frac{1}{2}$ % net income tax revenue, based on returns for 1963 and assuming all 1966 returns are filed before June 30, 1967	\$4,228,348.19
Subtract 1967 appropriation of	<u>2,715,000.00</u>
	\$1,513,348.19
Subtract estimated reduction of state's general fund revenue resulting from exemption of the several personal property classes by S B 43	<u>70,146.71</u>
Estimated net gain to state general fund	\$1,443,201.48 *

* No deduction made for some additional cost to income tax division that would be caused by administration of the $\frac{1}{2}$ % net income tax.

The state medical center revenue from the 1 mill levy would be reduced by about \$35,000 by exemption of the personal property classes designated in S B 43.