

office

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

Senate Bill 325

(list bill or resolution and number, if available, or subject
Amentment to: _____
(list bill or resolution and number)

REQUESTED BY: LRC 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.

See attached schedule

Date of preparation: 2-6-67

Signed State Tax Department

By *Stanley A. Hetzler*

**Stanley A. Hetzler
Director of Special Taxes**

SENATE BILL 325

Collection of the oil and gas gross production tax commenced in the following counties on the following dates.

Billings.....	February, 1954
Bottineau.....	December, 1953
Bowman.....	December, 1953
Burke.....	December, 1953
Divide.....	December, 1953
Dunn.....	August, 1960
McHenry.....	February, 1961
McKenzie.....	December, 1953
Mountrail.....	December, 1953
Renville.....	December, 1956
Stark.....	December, 1954
Ward.....	May, 1957
Williams.....	December, 1953

Senate Bill 325 provides, in part,

- "4. After the passage of eight years from the year gross production tax revenue was first received from a county, the total gross production tax revenue received from such county shall be deposited with the state treasurer and credited to the general fund and shall not be subject to distribution to the general fund and shall not be subject to distribution to political subdivisions."

In preparing this fiscal note, we have determined that the term "year" means fiscal year rather than calendar year. We have assumed this because the Oil and Gas Gross Production Act became effective on July 1, 1953 and subsequent accounting for the tax collection has been maintained on a fiscal year basis.

It might be in order to insert the word "fiscal" before the word "year" in line 57 of the Bill.

The following counties would continue to receive revenue for the period indicated during the next two fiscal years:

Dunn County - through June, 1968

McHenry County - through June, 1969

Fiscal year collections: July 1, 1965 through June 30, 1966
\$3,453,351.65

Using the above fiscal year as a base period and taking into consideration the amounts to be received by the above stated counties, the following would be the amount of revenue credited to the general fund for the two fiscal years in the next biennium.

Fiscal year 1967-1968	\$3,450,527.67
1968-1969	<u>3,451,547.89</u>
Total for biennium	<u>\$6,902,075.56</u>