

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

Senate Bill 448

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

Amendment to: (list bill or resolution and number)

REQUESTED BY: L.R.C. DATE OF RECEIPT Jan. 29, 19 69

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: February 5, 1969

Signed A. R. Heugauer

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SENATE BILL 448

Due to conversion in Central Data Processing, source material on 1967 returns is not available at this date.

However, a patronage dividend study was conducted by the tax department in 1967 on cooperative taxpayer's returns for the year 1965, and the following is a brief summary of this study:

1. 640 cooperative taxpayer's returns for the year 1965 were examined.
2. 232 cooperative taxpayers showed patronage dividend deductions totaling \$5,862,430. 408 cooperative taxpayers for one reason or another did not take this deduction.
3. The 232 returns had total net taxable income of \$467,726 on which they paid corporation income tax to the state of \$16,343.00.
4. If the patronage dividends deducted by the 232 cooperatives in 1965 were added back to their net taxable income, their taxable income would then have been \$6,330,156 on which they would have paid \$329,647 of state corporation income tax.