

(prepare in triplicate)

FISCAL NOTE

prepared in regard to:

House Bill No. 1537 as amended on March 16, 1973

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

Amendment to: _____

(List bill or resolution and number)

Requested by: Legislative Council Date of receipt: March 16 19 73

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)

House Bill No. 1537, as amended, would exempt the remaining groceries not exempt under present law from the sales and use tax and update the federalizing provision of the state income tax to include those definitions in effect on December 31, 1972.

1. The exemption of the remaining groceries from the sales and use tax would reduce general fund revenues by an estimated \$8,750,000 for the 1973-1975 biennium.
2. Updating the federalizing provisions of the state income tax would affect the revenues of the state as follows:
 - a. Reduce general fund revenues from the individual income tax by an estimated \$2,800,000 for the 1973-1975 biennium;
 - b. Increase general fund revenues from the corporation income tax by an estimated \$200,000 for the 1973-1975 biennium.
 - c. Reduce general fund revenues from the business & corporation privilege tax by an estimated \$160,000 for the 1973-1975 biennium.
 - d. Reduce special sinking fund revenues from the Vietnam Veteran's Bonus Surtax by an estimated \$250,000 for the 1973-1975 biennium.

Date of preparation: March 16, 1973

Signed Robert L. King

Typed Name- Robert L. King

Department Tax