

(prepare in triplicate)

(REVISED)

FISCAL NOTE

prepared in regard to:

House Bill 1221

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

Amendment to: House Bill 1221
(List bill or resolution and number)

Requested by: Legislative Council Date of receipt: 2-20 1975

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)

If enacted as amended House Bill 1221 would increase State General Fund revenue in the 1975-1977 biennium by \$5,614,374 from:

- a) The .35 mills per KWH on all electrical production would produce \$5,028,100 and;
- b) The carry-over gross receipts tax of \$586,274.

The elimination of the 4% sales tax on coal, electricity and natural gas would reduce State General Fund revenue by \$9,593,780. (See Exhibit 1). *

The elimination of the 2% excise tax on heating fuel and L P gas would reduce the Highway Department Fund by \$1,050,703. (See Exhibit 1). Administrative costs are estimated to be \$12,000 for the 1975-1977 biennium.

Date of preparation: 3-10-75

Signed *Clair W. Cudworth*

*The net effect on state general fund revenues is estimated to be a reduction of \$3,979,406 of state general fund revenues for the 1975 - 1977 biennium. (\$9,593,780-5,614,374)

Typed Name- Clair W. Cudworth

Department Tax Department

PROJECTED REVENUE LOSS

1975-1977 Biennium

(Revised)

From the Elimination of the
4% Sales Tax on:

Coal

Fiscal Year 1976	\$ 625,146*
Fiscal Year 1977	<u>959,185</u>
1975-1977 Biennium	\$1,584,331

Electricity

Fiscal Year 1976	\$2,675,919*
Fiscal Year 1977	<u>3,863,356</u>
1975-1977 Biennium	\$6,539,275

Natural Gas

Fiscal Year 1976	\$ 601,606*
Fiscal Year 1977	<u>868,568</u>
1975-1977 Biennium	\$1,470,174

From the Elimination of the
2% Excise Tax on Heating Oil and LP Gas:

Fiscal Year 1976	\$ 510,050
Fiscal Year 1977	<u>540,653</u>
1975-1977 Biennium	\$1,050,703

*Sales tax on coal, electricity and natural gas paid in Fiscal Year 1976 for use in last quarter of fiscal year 1975 was considered in these computations.

Total loss to the State General Fund:

Fiscal Year 1976	\$3,902,671
Fiscal Year 1977	<u>5,691,109</u>
1975-1977 Biennium	\$9,593,780

Highway Distribution Fund:

Fiscal Year 1976	\$ 510,050
Fiscal Year 1977	<u>540,653</u>
1975-1977 Biennium	\$1,050,703

Total loss to the Total State Revenue:

Fiscal Year 1976	\$4,412,721
Fiscal Year 1977	<u>6,231,762</u>
1975-1977 Biennium	\$10,644,483