

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

House Bill 1276 (AS AMENDED)

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

Amendment to:

(List bill or resolution and number)

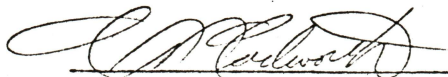
Requested by: Legislative Council Date of receipt: 2/16 1977

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, House Bill 1276 (as amended) would have the attached estimated fiscal effects on the 1977-79 Biennium.

Date of preparation: 2/16/77

Signed



Typed Name

C. William Cudworth

Department

Tax

1977-79 BIENNIUM
FISCAL EFFECTS

Tax Type	State General Fund	Counties and Cities	Townships	School and Public Libraries	Cities + Cities Park Districts For Recreation
Sales & Use Tax 14% of 7 Qtrs. Collections Revenue	\$ 27,216,000				
Sharing Funds	-27,216,000				
Sales & Use Tax Business Priv. Tax repeal	+21,384,000 -20,740,000				
Sales & Use Tax	+ 1,600,000	(67% of 27,216,000) or +18,234,720	(5% of 27,216,000) or + 1,360,800	(8% of 27,216,000) or + 2,177,280	(20% of 27,216,000) or + 5,443,200
Motor Vehicle Excise Tax (would increase revenue by \$7,838,000)	NONE	+5,251,460 (67% of 7,838,000)	+391,900 (5% of 7,838,000)	+627,040 (8% of 7,838,000)	+1,567,600 (20% of 7,838,000)
Net Change	Net Gain = \$+2,244,000	Net Gain = \$+23,486,180	Net Gain = \$+1,752,700	Net Gain = \$+2,804,320	Net Gain = \$+7,010,800

Prepared by
Tax Department
February 16, 1977

2-16-77

Amendments H B 1376

On page 1, line 12, before the period add the following:

"; and to amend and reenact subdivision f of subsection 1 of section 57-38-01.2 and subdivision d of subsection 1 of section 57-38-01.3 of the North Dakota Century Code, relating to adjustments to taxable income for individuals and fiduciaries and to adjustments to taxable income for corporations; to repeal section 57-38-66 of the North Dakota Century Code, providing for a business and corporation privilege tax; and to provide an effective date"

On page 5, line 34, delete the word "Twenty-five" and insert in lieu thereof the word "Fourteen"

On page 8, after line 25, add the following:

"SECTION 12. AMENDMENT.) Subdivision f of subsection 1 of section 57-38-01.2 of the 1975 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

f. Increased by the amount of any income taxes, or franchise or privilege taxes measured by income, to the extent that such taxes were deducted to determine federal taxable income. ((However, those taxes, paid or accrued as the case may be during the applicable tax year, imposed

by section 57-38-66 of this chapter shall be allowable as a deduction when determining taxable income for state income tax purposes.)))

SECTION 13. AMENDMENT.) Subdivision d of subsection 1 of section 57-38-01.3 of the 1975 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

- d. Increased by the amount of any income taxes, or franchise or privilege taxes measured by income, to the extent that such taxes were deducted to determine federal taxable income. (((However, those taxes, paid or accrued as the case may be during the applicable tax year, imposed by section 57-38-66 of this chapter shall be allowable as a deduction when determining taxable income for state income tax purposes.)))

On page 8, line 26, delete the numeral "12" and insert in lieu thereof the numeral "14"

On page 8, line 28, add the following: "Section 57-38-66 of the 1975 Supplement to the North Dakota Century Code is hereby repealed"

On page 8, line 29, add the following:

"SECTION 15. EFFECTIVE DATE.) The provisions of sections 12 and 13 of this Act and the repeal of section 57-38-66 of the North Dakota Century Code shall be effective for all taxable years beginning on or after January 1, 1977."

And renumber the lines accordingly