

FISCAL NOTE

Prepared in regard to: HB 1166
(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: 12/30/80

In the following space note the fiscal effect in dollars of the legislative proposal:

Narrative:

HB 1166 would allow a reduction in State taxable income by the amount of any ordinary and necessary business expense not allowable as a deduction from gross income for federal income tax purposes because of a federal targeted jobs tax credit and a work incentive tax credit for that expense.

We are unable to get information from the Internal Revenue Service to estimate the specific impacts of this bill. However, if these expenses were allowed as deductible for state income tax purposes, our best estimate is that the state's general fund revenue would decrease from \$50,000 to \$60,000 in the 1981-83 biennium.

Fiscal Effect:

1981-82		1982-83		Total Biennium	
Special Funds	General Fund	Special Funds	General Fund	Special Funds	General Fund
	-\$25,000 to -\$30,000		-\$25,000 to -\$30,000		-\$50,000 to \$60,000

Signed 

Typed Name C.W. Cudworth

Date Prepared: 1/9/81

Department Tax

If additional space is needed, attach a supplementary sheet.

AAB