

(Return in triplicate)

FISCAL NOTE

APR - 4 1983

Bill/Resolution No.: House Bill 1735 Amendment to: _____

Requested by: Legislative Council Date of Receipt: 3/31/83

Please estimate the fiscal impact of the above measure for:

State general or special funds Counties Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

The following projection represents the total impact of House Bill 1735 on the General Fund after allowing for loss of funds from the state income tax and the Fire Marshal tax.

(See supplemental sheet attached)

State Fiscal Effect:

<u>1983-84</u>		<u>1984-85</u>		<u>Biennium Total</u>	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>
	\$ 21,103,346		\$ 10,551,673		\$ 31,655,019

County and City Fiscal Effect:

<u>1983-84</u>		<u>1984-85</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

If additional space is needed, attach a supplemental sheet.

Signed Lloyd B. Schoeder

Typed Name Lloyd B. Schoeder

Date prepared: April 4, 1983

Department Insurance Department

PROJECTED INCOME FROM PREMIUM TAX UNDER HOUSE BILL 1735

1. Based on December 31, 1981 statistics
2. Excludes fraternal, benevolent, Blue Cross, Blue Shield, Vision, Dental and HMO associations.
3. Computed at 2.5% for all stock and mutual companies
4. Excludes annuities
5. Anticipates that premiums will not vary substantially over the period.

December 31, 1981 income from premium tax		\$ 10,041,815
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SUB-TOTAL		\$ 20,083,630
1981 and 1982 premiums generated by domestic stock and mutual companies in North Dakota $\$125,460,752 \times 2.5\%$		<u>3,136,518</u>
GROSS PROJECTED INCOME		\$ 23,220,148
Less credits:		
Credit for real estate tax	\$ 1,150,000	
Credit for examination expense	<u>120,000</u>	<u>1,270,000</u>
TOTAL PROJECTED INCOME FROM PREMIUM TAX		\$ 21,950,148
Less:		
Loss of revenue from Fire Marshal tax	\$ 346,802	
Loss of revenue from state income tax	<u>500,000</u>	<u>846,802</u>
* NET PROJECTED REVENUE FOR 1983-84		<u><u>\$ 21,103,346</u></u>

* - This figure will fall back to \$10,551,673 for the 1984-85 year.