

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: House Bill No. 1195 Amendment to: _____

Requested by: Legislative Council Date of Receipt: 1-5-87

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:

If enacted, HB 1195 may generate a positive fiscal effect in the 1987-89 biennium if:

- 1). The provisions of the bill withstand a likely court challenge, and/or
- 2). The U.S. Congress enacts legislation which will enable states to impose a sales tax on mail order or direct market sales.

In the event that North Dakota may impose a sales tax on mail order and direct marketing sales effective July 1, 1987, the potential positive fiscal effect would be between +\$8.4 million and +\$19.9 Million to the State General Fund in the 1987-89 biennium.

Since North Dakota may not be granted the authority to implement the provisions of HB 1195, we recommend that the Legislative Council exclude this potential positive effect from the 1987-89 biennium State General Fund revenue projections.

State Fiscal Effect:

<u>1987-88</u>		<u>1988-89</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>

County and City Fiscal Effect:

<u>1987-88</u>		<u>1988-89</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 *Sid Bender*

Typed Name Sid Bender

Date Prepared: 1-12-87

Department Tax Department

AAB