

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: House Bill No. 1548 Amendment to: _____

Requested by: Legislative Council Date of Receipt: Jan. 29, 1987

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:

This bill proposes a new section to Chapter 57-40.5 relating to excise tax to allow trade in value when purchasing an aircraft instead of tax on the full value of purchase. This bill would allow a change from a one-time tax fully paid to an excise tax on every sale allowing trade in value or tax on trade value difference only. This is patterned after the Motor Vehicle Law.

This change would also allow for a tax credit for those aircraft that were traded in over the past 3 years only if another aircraft purchase is made by that individual in the future. No direct refunds will be given. This allows excise tax to continue to be collected in all future transactions, whereas, under the present law, theoretically after 6 more years, all aircraft in the state will have been fully taxed with the exception of aircraft being purchased from out-of-state.

This bill also includes increasing the excise tax from 4% to 5% with the exception of agricultural aircraft remaining at 3% excise tax.

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>
	- \$ 30,000		- \$ 20,000		- \$ 50,000

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 Roger L. Pfeiffer

Typed Name Roger L. Pfeiffer

Asst. Director

Department N.D. Aeronautics Commission

Date Prepared: January 30, 1987