

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: _____ Amendment to: HB 1613

Requested by: Legislative Council Date of Receipt: 2-09-89

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 First Engrossment would subject coal beneficiation plants to the coal conversion tax. It is not known if such plant(s) will become operational during the 1989-91 biennium. Once operational, the plant(s) would qualify for a 5 year exemption from the state portion of the coal conversion tax, so any positive impact to the State General Fund would occur outside of the 1989-91 biennium.

HB 1613 First Engrossment also exempts the gross receipts, due to the initial sale of beneficiated coal, from the sales and use tax. The negative fiscal impact of these provisions is less than \$5,000 during the 1989-91 biennium, because the forecast of sales tax revenues does not include the possibility of a coal beneficiation plant(s).

State Fiscal Effect:

<u>1989-90</u>		<u>1990-91</u>		<u>Biennium Total</u>	
<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>

County and City Fiscal Effect:

<u>1989-90</u>		<u>1990-91</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 *Kathryn L. Strombeck*

Typed Name Kathryn L. Strombeck

Date Prepared: 2-10-89

Department TAX

Handwritten initials/signature in red ink.