

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: _____ Amendment to: SB 2455

Requested by: Legislative Council Date of Receipt: _____

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 provisions of the bill, as amended, will:

1. Set the electronic video gaming device maximum prize value at \$500.
2. Permit the play of only commingled games of charity game tickets on July 1, 1991, thereby eliminating the play of single games.
3. Increase the gaming expense limitation to 50% of the first \$200,000 of each organization's quarterly adjusted gross proceeds, and retain the present 45% expense limitation on the adjusted gross proceeds over \$200,000.
4. Change the gaming tax rate structure. Presently, a tax rate of 5% is applied to each organization's quarterly adjusted gross proceeds under \$600,000, and a tax rate of 20% is applied to the amount over \$600,000. This amendment establishes a 4-tier graduated tax rate structure of 5%, 10%, 15%, and 20% (amount over \$600,000).
5. Cap the gaming tax payback to the counties and cities at the level of the 1987-89 biennium. The projected payback for the 1989-91 biennium was \$135,000 greater than the cap.
6. Apply a 2% excise tax on the gross receipts of charitable gaming tickets.

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>
Increase	\$2,305,000	0	\$3,457,000	0	\$5,762,000	0

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>
Decrease	(\$6,075)	(61,425)	(\$6,075)	(\$61,425)	(12,150)	(\$122,850)

If additional space is needed, attach a supplemental sheet.

Signed Charles Keller

Typed Name Charles Keller

Date Prepared: April 17, 1989

Department Attorney General