

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: HB 1373 Amendment to: \_\_\_\_\_

Requested by Legislative Council Date of Request: 1-15-91

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 modifies the formula for computing adjusted gross proceeds (gross proceeds less prizes and 2% excise tax) of gaming activity conducted by licensed gaming organizations. The adjusted gross proceeds presently is the basis on which the gaming tax, allowable expenses, and net proceeds are computed.

This bill would enable licensed gaming organizations to deduct cash shorts and players checks returned unpaid by a bank toward computing adjusted gross proceeds. Also, the bill would enable gaming organizations to deduct the 2% excise tax on charitable gaming tickets against charitable net proceeds and would increase allowable expenses.

The fiscal effect, by item, for the 1991-93 biennium is:

Reclassification of cash shorts	(\$48,000)
Reclassification of uncollectible checks	(\$ 2,000)
2% excise tax	0
Gaming tax	\$360,000

Other notable effects of this bill related specifically to the change in the 2% excise tax deduction include:

Increase of allowable expenses	\$ 2,613,000
Decrease of charitable net proceeds	(\$2,973,000)

State Fiscal Effect:

	<u>1991-92</u>		<u>1992-93</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	\$162,000	0	\$148,000	0	\$310,000	0

County and City Fiscal Effect:

	<u>1991-92</u>		<u>1992-93</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 Chuck Keller

Typed Name Charles W. Keller

Date Prepared: January 22, 1991

Department Attorney General

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