

FISCAL NOTE

(Return in triplicate)

Bill/Resolution No.: HB 1252 Amendment to: _____

Requested by Legislative Council Date of Request: 1-13-93

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, and cities.

Narrative:

HB 1252, if passed, would eliminate the local-option two-year property tax exemption available for new single family residences and townhouses. Local assessment officials are not required to report valuations of exempt properties to the Office of State Tax Commissioner. Therefore, information on the amount and taxable value of property exempted is not available in a central location. Furthermore, it is speculative to anticipate which, if any, cities or counties would opt to grant this exemption in the future.

HB 1252, while it may increase the tax base of a city or county, has no fiscal impact on the cities and counties. The revenue raised by property taxes is dependent upon the dollars required in the budgeting process. Adding previously exempt property to the tax base does not, by itself, affect the city or county budget, but can reduce the mill rate applied to all taxable property.

The State Medical Center would receive a positive impact by the passage of HB 1252. A constitutional levy on one mill is imposed on all taxable property in the state. The impact is less than \$2,500 per year.

2. State fiscal effect in dollar amounts:

1991-93 <u>Biennium</u>		1993-95 <u>Biennium</u>		1995-97 <u>Biennium</u>	
<u>General</u>	<u>Special</u>	<u>General</u>	<u>Special</u>	<u>General</u>	<u>Special</u>
<u>Fund</u>	<u>Funds</u>	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>	<u>Funds</u>

Revenues:

Expenditures:

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

a. For rest of 1991-93 biennium: _____

b. For the 1993-95 biennium: _____

c. For the 1995-97 biennium: _____

4. County and City fiscal effect in dollar amounts:

1991-93 <u>Biennium</u>		1993-95 <u>Biennium</u>		1995-97 <u>Biennium</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

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Department Tax

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Date Prepared: 1-15-93

Handwritten initials: AAB