

FISCAL NOTE

(Return in triplicate)

Bill/Resolution No.: HB 1315 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:** Residential property owned by HUD, FmHA, and VA is not exempt from property tax. Congress waived the exemption for these properties. Because the federal agencies pay taxes, there is no possessory or leasehold interest that is assessed. HB 1315 as written has no fiscal effect on cities or counties.

Non-profit corporations that rent these residential properties are responsible for the payments of property taxes under the terms of the lease. The sponsor's intent is to exempt the residential property owned by HUD, FmHA, and VA and leased to a non-profit corporation for use by the homeless so the non-profit corporations do not have the expense of paying the property tax. If the bill is amended to accomplish this intent, the maximum taxing authority of cities and counties would be reduced by approximately \$9,000 to \$14,000 per year beginning with collections in FY 1994.

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>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</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>

additional space is needed, attach a supplemental sheet.

Date Prepared: 1-22-93

Signed *Kathryn L. Strombeck*

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Department Tax

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