

FISCAL NOTE

(Return in triplicate)

Bill/Resolution No.: HB 1480 Amendment to: \_\_\_\_\_

Requested by Legislative Council Date of Request: 1-20-93

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

Narrative:

HB 1480, if passed, reduces the penalty for delinquent property taxes from 6% to 5%, reduces the interest charged by a county on redemption of delinquent property taxes from 12% to 10%, and reduces the maximum interest charged by an individual for redemption from 9% to 7% beginning with interest accruing after July 31, 1993. Property taxes are administered on a calendar year basis so the effects on the fiscal year are estimated.

The loss of penalty and interest income because of the lowering of the rates may be affected by the number of taxpayers choosing to pay or not pay because of the rate change. This effect is not accounted for in this estimate.

The lost penalty and interest revenue for all political subdivisions that levy property taxes is from \$837,000 to \$1,070,000 in the 1993-95 biennium and from \$2,580,000 to \$3,150,000 in the 1995-97 biennium. The cities and counties shares are shown below.

2. State fiscal effect in dollar amounts:

1991-93 Biennium		1993-95 Biennium		1995-97 Biennium	
General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds

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 Biennium		1993-95 Biennium		1995-97 Biennium	
Counties	Cities	Counties	Cities	Counties	Cities
		-\$212,400	-\$28,800	-\$627,300	-\$ 84,600
		to	to	to	to
		-\$259,600	-\$35,200	-\$766,700	-\$103,400

Signed Kathryn Strombeck

Typed Name Kathryn L. Strombeck

Department Tax

Phone Number 224-2770

If additional space is needed, attach a supplemental sheet.

Date Prepared: \_\_\_\_\_

*Handwritten initials: AAB*