

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1281 Amendment to: _____

Requested by Legislative Council Date of Request: 1-11-95

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

Narrative:

HB 1281 enables school districts to impose an income tax of 1% of adjusted gross income of the district's residents. Any school district that may choose to impose an income tax would have a corresponding reduction in property taxes due to a reduction in the mill rate. HB 1281 would, therefore, be revenue neutral to political subdivisions. The State would realize a significant increase in expenditures due to the added administrative costs for the Tax Department. These costs would include accounting and data processing expenditures and compliance and auditing functions. The amount of the additional expenditures cannot be determined without knowledge of the number of school districts that would impose the income tax.

- 2. State fiscal effect in dollar amounts:

Table with 3 columns: 1993-95 Biennium, 1995-97 Biennium, 1997-99 Biennium. Each column has sub-columns for General Fund and 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 1993-95 biennium: _____
b. For the 1995-97 biennium: _____
c. For the 1997-99 biennium: _____

- 4. County and City fiscal effect in dollar amounts:

Table with 3 columns: 1993-95 Biennium, 1995-97 Biennium, 1997-99 Biennium. Each column has sub-columns for Counties and Cities.

If additional space is needed, attach a supplemental sheet.

Signed Kathryn L. Strombeck

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Department TAX

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