

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____

Amendment to: Eng. HB 1068

Requested by Legislative Council

Date of Request: 3-19-97

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

Narrative: HB 1068, if enacted as amended by the Senate, would require the telecommunications companies to either pass directly to consumers or reduce the rate to reflect the net effect of changing from an ad valorem tax to a gross receipts tax.

The gross receipts of resellers (e.g. MCI, hotels, hospitals) and of the growth in the usage of cellular phones are not included in the estimate of fiscal impact because information is not available. The negative impact to the state general fund will be reduced by the amount of gross receipts tax that will be paid by resellers and growth in the cellular phone industry.

2. State fiscal effect in dollar amounts:

	<u>1995-97</u> <u>Biennium</u>		<u>1997-99</u> <u>Biennium</u>		<u>1999-2001</u> <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:				\$7.676M		\$15.352M
Expenditures:			\$0.724M		\$1.448M	

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

- a. For rest of 1995-97 biennium: _____
- b. For the 1997-99 biennium: +1ETE \$73,600
- c. For the 1999-2001 biennium: +1ETE \$70,600

4. County, City, and School District fiscal effect in dollar amounts:

<u>1995-97</u> <u>Biennium</u>			<u>1997-99</u> <u>Biennium</u>			<u>1999-2001</u> <u>Biennium</u>		
<u>Counties</u>	<u>Cities</u>	<u>School</u> <u>District</u>	<u>Counties</u>	<u>Cities</u>	<u>School</u> <u>Districts</u>	<u>Counties</u>	<u>Cities</u>	<u>School</u> <u>Districts</u>
			+97K	+52K	+259K	+193K	+104K	+519K

If additional space is needed, attach a supplemental sheet.

Signed Kathryn R. Strombeck by SJ

Typed Name Kathryn L. Strombeck

Date Prepared: 3-20-97

Department Tax

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