

**FISCAL NOTE**

(Return original and 10 copies)

Bill/Resolution No.: HB 1374

Amendment to: \_\_\_\_\_

Requested by Legislative Council

Date of Request: 1-21-97

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:**

If enacted, HB 1374 enables cities with populations less than 1500 to exempt new businesses from collecting and remitting the state sales tax for 2 years. It is not known how many cities would choose to do so. Approximately \$550,000,000 in total taxable sales and purchases are reported annually by cities with populations less than 1500. If one assumes 1% growth could be attributable to new businesses in cities where the exemption is granted, the fiscal effect would be a revenue loss of approx. \$275,000 per year.

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:

Expenditures:

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: \_\_\_\_\_

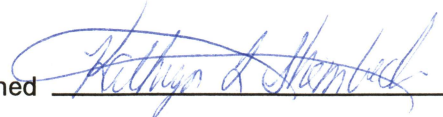
b. For the 1997-99 biennium: \_\_\_\_\_

c. For the 1999-2001 biennium: \_\_\_\_\_

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>Districts</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>

If additional space is needed, attach a supplemental sheet.

Signed 

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