

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____

Amendment to: HB 1467

Requested by Legislative Council

Date of Request: 2-14-97

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 1467, if enacted as amended, permanently subjects any coal conversion facility to locally assessed property tax in addition to the coal conversion tax beginning in the year following any year in which more than ten percent of the coal consumed is not subjected to the North Dakota coal severance tax. Our investigation indicates that three facilities located in Mercer County have a possibility of being subject to the provisions of HB 1467: UPA Stanton Station, Leland Olds Unit 1, and Leland Olds Unit 2. While HB 1467, by itself, does not require an increase in property taxes for counties, cities, or school districts, current law allows an increase in dollars of property tax levy by the amount of tax that would have been paid by a property that is added to the assessment rolls that was not included in the base year. If all three facilities would become subject to property tax under HB 1467, it would add approximately \$8.65 million taxable value. Any increase in property taxes depends upon the level of funding the county and school district budget to provide services. This bill, as amended, will distribute all of the coal conversion tax to the state general fund, currently the county, cities and school districts within the county share 35 percent of the coal conversion tax.

2. State fiscal effect in dollar amounts:

	<u>1995-97 Biennium</u>		<u>1997-99 Biennium</u>		<u>1999-2001 Biennium</u>	
	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>
Revenues:			0		0	
			To		To	
			\$1.588M		\$1.588M	

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 Biennium</u>			<u>1997-99 Biennium</u>			<u>1999-2001 Biennium</u>		
<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>
			-0.636M	-0.476M	-0.476M	-0.636M	-0.476M	-0.476M
			To	To	To	To	To	To
			+2.420M	+1.816M	+1.816M	+2.420M	+1.816M	+1.816M

If additional space is needed, attach a supplemental sheet.

Signed Kathryn L. Strombeck by Sef.

Typed Name Kathryn L. Strombeck

Date Prepared: 2-17-97

Department Tax

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