

## FISCAL NOTE

(Return original and 14 copies)

Bill/Resolution No.: HB 1480

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

Requested by Legislative Council

Date of Request: 1/20/99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts. Please provide breakdowns, if appropriate, showing salaries and wages, operating expenses, equipment, or other details to assist in the budget process. In a word processing format, add lines or space as needed or attach a supplemental sheet to adequately address the fiscal impact of the measure.

**Narrative:** If enacted, HB 1480 is expected to reduce revenues by \$2,156,000 during the 1999-2001 biennium. This analysis assumes the legislative intent is to limit the tax credit to returns with taxable incomes of \$39,000 or less. The fiscal note does not consider the legal interpretation that joint filers would be allowed \$39,000 taxable income each, in effect raising the income limit to taxable income of \$78,000 on joint returns. The fiscal impact, under this interpretation would increase by \$400,000 to -\$2,556,000 for the 1999-2001 biennium.

(Note: The refund provisions of HB 1480 may constitute an unconstitutional gift)

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>			-\$2,156,000			
<b>Expenditures</b>						

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

- a. For rest of 1997-99 biennium: \_\_\_\_\_  
**(Indicate the portion of this amount included in the 1999-2001 executive budget:)**
- b. For the 1999-2001 biennium: \_\_\_\_\_  
**(Indicate the portion of this amount included in the 1999-2001 executive budget:)**
- c. For the 2001-03 biennium: \_\_\_\_\_

4. **County, city, and school district** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

If additional space is needed  
attach a supplemental sheet.

Signed: 

Typed Name: Kathryn L. Strombeck

Department: Tax

Date Prepared: January 22, 1999

Phone Number: 328-3402