

FISCAL NOTE
 Requested by Legislative Council
 12/27/2010

Bill/Resolution No.: HB 1116

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1116 provides clarification and consistency among statutes for property tax administration purposes.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Sections 1, 2, and 3 of HB 1116 provide clarification and consistency; there is no fiscal impact relative to these sections.

Section 4 of HB 1116 has a minimal, indeterminable fiscal effect. It corrects a wording problem that causes taxable value of a political subdivision to be overstated. Current language requires reduction of the taxes on specified transmission lines in the second, third, and fourth years of operation but the full amount of taxable value of those lines must be reported, even though the political subdivision may levy only a percentage of the taxes represented by the taxable value.

The correction may make a minimal difference in calculated mill rates because it will slightly reduce taxable value of affected political subdivisions. It will not change the total amount of taxes levied. Taxes levied on specified transmission lines will be calculated the same as taxes on other property instead of being calculated on overstated taxable value and then reduced by a percentage. Dollars levied on specified transmission lines will not change but will more appropriately equate to taxable value times mill rate.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

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