

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/15/2013**

Bill/Resolution No.: SB 2163

- 1 A. **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.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$(4,300,000)	\$0	\$(4,900,000)	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

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

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
<b>Counties</b>	\$0	\$0	\$0
<b>Cities</b>	\$0	\$0	\$0
<b>School Districts</b>	\$0	\$0	\$0
<b>Townships</b>	\$0	\$0	\$0

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

This bill reduces the gaming tax structure from a 4-tiered tax system to 1% of gaming gross proceeds. It also increases the percentage of gaming tax revenues deposited in the gaming tax allocation fund from 6% to 9.2%.

- 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.*

Section 1 of the bill changes the gaming tax structure from a 4-tiered tax to 1 tax rate. Currently the tax rates are: 1. 1% on gaming gross proceeds of \$500,000 or less. 2. 1-1/2% on gaming gross proceeds from \$500,001 to \$1 million. 3. 2% on gaming gross proceeds from \$1,000,001 to \$1.5 million. 4. 2-1/2% on gaming gross proceeds above \$1.5 million. The bill increases the percentage of gaming tax revenues deposited in the gaming tax allocation fund from 6% to 9.2%, which will maintain the \$510,000 amount currently paid to cities and counties for gaming enforcement at the lower gaming tax 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.*

The 2013-15 biennium gaming taxes deposited in the general fund would be reduced from \$10.8 million to \$6.5 million, a \$4.3 million reduction. The 2015-17 biennium gaming taxes deposited in the general fund would be reduced by \$4.9 million. The additional \$600,000 reduction between the 2 biennia results from receiving 1 quarter of the 2011-13 biennium revenues, at current rates, in the 2013-15 biennium. The increase from 6% to 9.2% for the cities and counties gaming tax payback is to keep the amount these entities receive the same amount received currently, which is \$510,000.

- 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.*

N/A

- 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.*

N/A

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