

FISCAL NOTE
Requested by Legislative Council
03/25/2015

Amendment to: HB 1223

- 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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(108,000,000)			
Expenditures						
Appropriations						

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

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 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).*

Engrossed HB 1223 with Senate Amendments reduces individual and corporate income tax rates across-the-board.

- 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 engrossed HB 1223 with Senate Amendments reduces corporation income tax rates five percent across-the-board beginning with tax year 2015. This provision is expected to reduce corporate income tax revenue by an estimated \$21 million in the 2015-17 biennium.

Section 2 of engrossed HB 1223 with Senate Amendments reduces individual income tax rates ten percent across-the-board beginning with tax year 2015. This provision is expected to reduce individual income tax revenue by an estimated \$87 million in the 2015-17 biennium.

The executive budget contains the same rate reductions as contained in engrossed HB 1223 with Senate Amendments. The estimated amount of \$125 million contained in the executive recommendation has been reduced here to \$108 million to reflect the changes in the March 2015 Forecast.

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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

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