

FISCAL NOTE
Requested by Legislative Council
01/22/2015

Bill/Resolution No.: SB 2328

- 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						
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).*

SB 2328 amends the income tax law to expand the provisions governing the agricultural commodity processing facility investment tax credit.

- 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.*

Current law requires that to qualify for the credit, an investment must be made in an agricultural commodity processing facility that is incorporated or organized in North Dakota after December 31, 2000. The bill removes this condition, opening up the use of the program to qualifying facilities incorporated or organized at any time.

Current law defines a qualifying investment as one consisting of either cash or a fee simple interest in real property located in North Dakota. The bill expands the definition to include a loan from members, shareholders, employees, suppliers, or customers of a qualifying agricultural commodity processing facility.

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.*

If enacted, SB 2286 is expected to reduce state general fund revenues for the 2015-17 biennium. The amount of the reduction, if any, cannot be determined because the number of facilities utilizing the new provisions and the amount of loans are unknowns.

- 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.*

Name: Kathryn L. Strombeck

Agency: Office of Tax Commissioner

Telephone: 328-3402

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