

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/14/2019**

Revised  
 Bill/Resolution No.: HB 1473

- 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.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>			\$(1,557,000)	\$1,557,000		
<b>Expenditures</b>						
<b>Appropriations</b>						

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
<b>Counties</b>			
<b>Cities</b>			
<b>School Districts</b>			
<b>Townships</b>			

- 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).*

HB 1473 repeals the wholesale liquor tax and imposes a higher gross receipts (sales) tax rate on liquor.

- 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 10 of HB 1473 increases the gross receipts tax rate on alcoholic beverages from 7% to 8.5%. Section 11 repeals the wholesale liquor taxes.

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, HB 1473 is expected to be approximately revenue-neutral overall. There would be a reduction in state general fund revenues of an estimated \$17.9 million in the 2019-21 biennium due to the repeal of the wholesale liquor tax. There would be an increase in revenues of the same amount from the proposed increase in the gross receipts tax from 7% to 8.5%. Revenue from the gross receipts tax goes primarily to the state general fund, but it also goes to the state aid distribution fund (SADF). This would result in an expected reduction in state general fund revenues of \$1.557 million and an increase in expected SADF of the same amount.

- 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 Strombeck

**Agency:** Office of Tax Commissioner

**Telephone:** 701.328.3402

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