

**FISCAL NOTE**  
**HOUSE BILL NO. 1176**  
**LC# 23.0523.01000**  
**01/12/2023**

**1 - 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.*

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

**2 - County, City, School District, and Township Fiscal Effect**

*Identify the fiscal effect on the appropriate political subdivision.*

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

**3 - 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 1176 creates a new adoption tax credit as well as a tax credit for contributions to a maternity home, child placing agency, or pregnancy help center.

**4 - Fiscal Impact Sections Detail**

*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 HB 1176 will create a new adoption tax credit that can be applied against the income tax liability. The credit is equal to 10% of the federal adoption credit. The credit cannot exceed 50% of the taxpayer's liability. Any amounts exceeding 50% of the liability can be carried forward up to three succeeding tax years.

Section 2 of HB 1176 will create a new tax credit that can be applied against the income tax liability for contributions

made to a maternity home, child placing agency, or pregnancy help center. The credit is equal to the total amount of charitable contributions made to a maternity home, child placing agency, or pregnancy help center during the taxable year. The credit cannot exceed 50% of the taxpayer's liability.

## **5 - Revenues Detail**

*For information shown under state fiscal effect in 1 or 2, please 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 1176 could reduce state general fund revenues due to the tax credit provisions in Section 1 and Section 2 of the bill. The reduction in revenue is dependent upon the number of individuals who choose to claim the credit, the level of contributions they make, and their tax liabilities, all of which are unknown. Because these factors are unknown, the fiscal impact cannot be determined.

## **6 - Expenditures Detail**

*For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

## **7 - Appropriations Detail**

*For information shown under state fiscal effect in 1 or 2, please 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.*

## **Contact Information**

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