

**FISCAL NOTE**  
**HOUSE BILL NO. 1390**  
**LC# 25.1050.01000**  
**01/22/2025**

**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.*

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$726,374,127			
Appropriations						

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

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

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 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 1390 creates a new primary residence credit formula equal to a seventy percent reduction in consolidated tax due on the taxpayer's primary residence for qualified persons.

**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 5 – Creates a primary residence property tax credit equal to a seventy percent reduction in consolidated tax due on the taxpayer's primary residence.

Section 10 – Creates an effective date for taxable years beginning after December 31, 2024, including for section 5 to include taxable year 2025, and subsequent taxable years thereafter.

## 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.*

## 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.*

If enacted, section 5 of HB 1390 is expected to provide an additional \$726,374,127 in property tax relief to eligible persons in the 2025-2027 biennium.

In terms of fiscal effect, the 2023-2025 biennium baseline budget appropriations include \$72,400,000 for the homestead tax credit and \$18,745,000 for the disabled veteran credit programs. An \$103,225,000 is represented in the 2023-2025 baseline for the primary residence credit.

In summary, the additional fiscal requirement above 2023-2025 baseline appropriation of \$194,370,000 is \$532,004,127.

## 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.*

If HB 1335 is enacted, the sum of \$ \$532,004,127 in addition to baseline appropriations, out of any moneys in the general fund in the state treasury, not otherwise appropriated, or so much of the sum as may be necessary, are requested to be appropriated to the tax commissioner during the biennium beginning July 1, 2025, and ending June 30, 2027.

## Contact Information

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