

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2006

That the House recede from its amendments as printed on page 1118 of the Senate Journal and page 1237 of the House Journal and that Engrossed Senate Bill No. 2006 be amended as follows:

Page 1, line 3, remove "and"

Page 1, line 4, after "Code" insert "; and to provide for a legislative council study"

Page 1, line 12, replace "12,820,250" with "12,806,112"

Page 1, line 13, replace "4,465,113" with "4,438,627"

Page 1, line 16, replace "21,310,363" with "21,269,739"

Page 1, line 18, replace "21,195,319" with "21,154,695"

Page 2, after line 4, insert:

**"SECTION 4. LEGISLATIVE COUNCIL STUDY - ELIMINATION OF ESTATE TAX.** The legislative council shall consider studying, during the 2003-04 interim, with assistance from the tax commissioner, the effect on cities and counties of repeal of the estate tax. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly."

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2006 - State Tax Commissioner - Conference Committee Action**

|                       | EXECUTIVE BUDGET | SENATE VERSION   | CONFERENCE COMMITTEE CHANGES | CONFERENCE COMMITTEE VERSION | HOUSE VERSION    | COMPARISON TO HOUSE |
|-----------------------|------------------|------------------|------------------------------|------------------------------|------------------|---------------------|
| Salaries and wages    | \$13,073,578     | \$12,820,250     | (\$14,138)                   | \$12,806,112                 | \$12,806,112     |                     |
| Operating expenses    | 4,595,113        | 4,465,113        | (26,486)                     | 4,438,627                    | 3,933,588        | \$505,039           |
| Capital assets        | 75,000           | 25,000           |                              | 25,000                       | 25,000           |                     |
| Homestead tax credit  | <u>4,000,000</u> | <u>4,000,000</u> |                              | <u>4,000,000</u>             | <u>4,000,000</u> |                     |
| Total all funds       | \$21,743,691     | \$21,310,363     | (\$40,624)                   | \$21,269,739                 | \$20,764,700     | \$505,039           |
| Less estimated income | <u>115,044</u>   | <u>115,044</u>   |                              | <u>115,044</u>               | <u>115,044</u>   |                     |
| General fund          | \$21,628,647     | \$21,195,319     | (\$40,624)                   | \$21,154,695                 | \$20,649,656     | \$505,039           |
| FTE                   | 137.00           | 137.00           | 0.00                         | 137.00                       | 137.00           | 0.00                |

**Dept. 127 - State Tax Commissioner - Detail of Conference Committee Changes**

|                      | REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 1 | REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 2 | TOTAL CONFERENCE COMMITTEE CHANGES |
|----------------------|--|--|------------------------------------|
| Salaries and wages   |  | (\$14,138)   | (\$14,138)                         |
| Operating expenses   | (\$26,486)   |  | (26,486)                           |
| Capital assets       |  |  |                                    |
| Homestead tax credit |  |  |                                    |

|                       |            |            |            |
|-----------------------|------------|------------|------------|
| Total all funds       | (\$26,486) | (\$14,138) | (\$40,624) |
| Less estimated income | _____      | _____      | _____      |
| General fund          | (\$26,486) | (\$14,138) | (\$40,624) |
| FTE                   | 0.00       | 0.00       | 0.00       |

<sup>1</sup> This amendment reduces funding for information technology by \$26,486 from the general fund, which represents a reduction in information technology funding of approximately 5 percent, excluding information technology salaries and wages and previous reductions made in the area of information technology.

<sup>2</sup> Funding for state employee health insurance premiums is reduced from \$493 to \$488.70 per month.

This amendment also adds a section providing for a Legislative Council study of the effect on cities and counties of repeal of the estate tax.