

FISCAL NOTE

Requested by Legislative Council

01/28/2003

Bill/Resolution No.: SB 2350

1A. **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.*

2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues					
Expenditures					
Appropriations					

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

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB 2350 will prevent taxation of a leasehold interest in state-owned land and privately owned improvements located on that land, if net profit from operation of the improvements is dedicated to the state institution or agency that owns the land. It will also prevent political subdivisions from levying additional dollars based on the value of the leased land and privately owned improvements. The land and improvements will not be included in the base that determines how many dollars a political subdivision may levy, because it is not included in the definition of "property exempt by local discretion or charitable status."

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.*

SB 2350 may cause a small, undeterminable reduction in revenues to the state medical center, if any property currently taxable to the leaseholder becomes exempt because of this legislation. Similar reductions in revenues to counties, cities, and school districts will also occur if any currently taxable property becomes exempt because of this legislation.

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, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

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