

FISCAL NOTE
Requested by Legislative Council
01/16/2007

Bill/Resolution No.: HB 1478

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			(\$10,400,000)			
Expenditures						
Appropriations						

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **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 1478 provides for an individual income tax credit for private elementary and secondary school tuition paid, or a donation made to a private K-12 school.

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 1 authorizes an individual income tax credit equal to 50% of the qualifying contributions, up to \$1000 per tax year for joint filers, \$500 per tax year for single filers. The estimated fiscal impact assumes approximately 6500 students attend private schools, and the tax credit averages \$800 each.

Section 1 of the bill also allows a tax credit for donations to private schools. The fiscal impact of this provision is unknown.

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.*

The tuition component of HB 1478 is expected to result in a reduction in state general fund revenues of approx. \$10.4 million for the 2007-09 biennium. The additional revenue loss from tax credits for donations are unknown.

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 is also included in the executive budget or relates to a continuing appropriation.*

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