

FISCAL NOTE
Requested by Legislative Council
01/27/2011

Amendment to: HB 1320

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.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$44,603		\$44,276
Expenditures			\$35,317	\$44,603	\$35,644	\$44,276
Appropriations			\$35,317	\$44,603	\$35,644	\$44,276

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

2009-2011 Biennium			2011-2013 Biennium			2013-2015 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).*

This Bill allows a deduction of real estate taxes paid on rental property from countable gross rental income, for individuals screened as requiring nursing care, and who are receiving nursing care services.

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 of the bill allows an individual to deduct real estate taxes paid on rental property by making such payments deductible from rental income claimed for medical assistance eligibility when screened as requiring nursing care services, and who is receiving nursing care services. It is estimated this change will increase nursing home cost by \$79,920 in each of next two bienniums. The general fund portion for the 11-13 biennium is \$35,317 and \$35,644 for the 13-15 biennium.

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 revenue increase in each biennium is the additional federal funds the state will receive due to allowing a deduction from income for real estate tax paid on rental property located in the state.

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.*

It is estimated this change will increase nursing home cost by \$79,920 in each of next two bienniums. The general fund portion for the 11-13 biennium is \$35,317 and \$35,644 for the 13-15 biennium.

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.*

The Department will need an appropriation increase of \$79,920 of which \$35,317 is general fund and \$44,603 is

federal funds for the 2011-13 biennium.

The Department will need an appropriation increase of \$79,920 of which \$35,644 is general fund and \$44,276 is federal funds for the 2013-15 biennium

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