

FISCAL NOTE
Requested by Legislative Council
12/21/2018

Bill/Resolution No.: HB 1047

- 1 A. **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.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(386,000)		
Expenditures						
Appropriations						

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **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 1047 extends the excise tax exemption for air ambulances to those aircraft that the purchaser provides under contract to a qualifying emergency medical services operator.

- 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 HB 1047 provides an aircraft excise tax exemption for aircraft that are purchased and leased to a qualifying licensed emergency medical services operator. Section 2 allows the excise tax exemption to be retroactively applied for qualifying aircraft purchased in calendar years 2016, 2017, and 2018.

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.*

Industry officials are aware of at least six air ambulances that would qualify for the retroactive provisions contained in Section 2 of the bill. If enacted, the retroactive component of the bill is expected to reduce revenues in the aeronautics commission special fund by approximately \$336,000. The prospective provisions contained in Section 1 of the bill are estimated to impact one aircraft per biennium, at an estimated cost of \$50,000 in reduced aircraft excise tax revenues per biennium. The retroactive and prospective provisions combined are expected to reduce revenues in the aeronautics commission special fund by an estimated \$386,000 in the 2019-21 biennium.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

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Date Prepared: 01/07/2019