

FISCAL NOTE
HOUSE BILL NO. 1465
LC# 25.1136.02000
02/20/2025

1 - 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.

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(11,302,730)		\$(11,302,730)	
Expenditures						
Appropriations						

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - 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 1465 will change the structure of the gaming tax.

4 - Fiscal Impact Sections Detail

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.

The gaming tax structure changes will lead to an estimated decrease in gaming tax of \$5,651,365 per year/ \$11,302,730 per biennium. The gaming tax is deposited in the charitable gaming operating fund. At the end of the biennium, the amount remaining in the fund, less the amount appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming for the subsequent biennium and the amount transferred to gambling disorder prevention and treatment fund, will be transferred to the general fund. Based on HB 1465, all organizations with adjusted gross proceeds not exceeding \$100,000 will be taxed at one

percent of adjusted gross proceeds.

All organizations with adjusted gross proceeds between \$100,000 and \$200,000 will be taxed at eight percent of the total adjusted gross proceeds exceeding \$100,000 plus \$1,000.

All organizations with adjusted gross proceeds exceeding \$200,000 will be taxed at 12 percent of the total adjusted gross proceeds exceeding \$200,000 plus \$9,000.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

Based on HB 1465, all organizations with adjusted gross proceeds not exceeding \$100,000 will be taxed at one percent of adjusted gross proceeds.

All organizations with adjusted gross proceeds between \$100,000 and \$200,000 will be taxed at eight percent of the total adjusted gross proceeds exceeding \$100,000 plus \$1,000.

All organizations with adjusted gross proceeds exceeding \$200,000 will be taxed at 12 percent of the total adjusted gross proceeds exceeding \$200,000 plus \$9,000.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please 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.

Contact Information

Name: Tasha Gerding

Agency: Office of Attorney General

Telephone: 7013285506

Date Prepared: 02/20/2025