

**STATEMENT OF PURPOSE OF AMENDMENT:****Senate Bill No. 2006 - Funding Summary**

	<b>Executive Budget</b>	<b>Final Legislative Action</b>	<b>Comparison To Executive Budget</b>
State Tax Commissioner			
Salaries and wages	\$13,073,578	\$12,806,112	(\$267,466)
Operating expenses	4,595,113	4,438,627	(156,486)
Capital assets	75,000	25,000	(50,000)
Homestead tax credit	4,000,000	4,000,000	
Total all funds	\$21,743,691	\$21,269,739	(\$473,952)
Less estimated income	115,044	115,044	0
General fund	\$21,628,647	\$21,154,695	(\$473,952)
FTE	137.00	137.00	0.00
Bill Total			
Total all funds	\$21,743,691	\$21,269,739	(\$473,952)
Less estimated income	115,044	115,044	0
General fund	\$21,628,647	\$21,154,695	(\$473,952)
FTE	137.00	137.00	0.00

**Senate Bill No. 2006 - State Tax Commissioner - Senate Action**

	<b>Executive Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages	\$13,073,578	(\$253,328)	\$12,820,250
Operating expenses	4,595,113	(130,000)	4,465,113
Capital assets	75,000	(50,000)	25,000
Homestead tax credit	4,000,000		4,000,000
Total all funds	\$21,743,691	(\$433,328)	\$21,310,363
Less estimated income	115,044	0	115,044
General fund	\$21,628,647	(\$433,328)	\$21,195,319
FTE	137.00	0.00	137.00

**Department No. 127 - State Tax Commissioner - Detail of Senate Changes**

	<b>Decreases Funding for Salaries<sup>1</sup></b>	<b>Decreases Funding for Operating Line Item<sup>2</sup></b>	<b>Transfers Funding From Capital Assets to Operating<sup>3</sup></b>	<b>Removes Recommended Salary Increase<sup>4</sup></b>	<b>Total Senate Changes</b>
Salaries and wages	(\$118,143)			(\$135,185)	(\$253,328)
Operating expenses		(180,000)	50,000		(130,000)
Capital assets			(50,000)		(50,000)
Homestead tax credit					
Total all funds	(\$118,143)	(\$180,000)	\$0	(\$135,185)	(\$433,328)
Less estimated income	0	0	0	0	0
General fund	(\$118,143)	(\$180,000)	\$0	(\$135,185)	(\$433,328)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Underfunds the salary line item due to employee called to active military duty.

<sup>2</sup> This amendment decreases funding for the following operating expenses:

Travel	(\$15,000)
Information technology services	(80,000)
Toll-free telephone services	(24,000)
Postage	(25,000)
Professional services	(15,000)
Underfunding of line item	<u>(21,000)</u>
<b>Total</b>	<b>(\$180,000)</b>

<sup>3</sup> This amendment transfers \$50,000 from the capital assets line item to operating for purchases of equipment less than \$5,000.

<sup>4</sup> This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

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A section is added providing the Tax Commissioner with up to \$110,000 of general fund carryover authority for a sales tax WebFile rewrite information technology project. A 2001-03 biennium appropriation was provided for this project; however, the Information Technology Department was unable to schedule the project during the current biennium.

#### Senate Bill No. 2006 - State Tax Commissioner - House Action

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$13,073,578	\$12,820,250	(\$14,138)	\$12,806,112
Operating expenses	4,595,113	4,465,113	(531,525)	3,933,588
Capital assets	75,000	25,000		25,000
Homestead tax credit	4,000,000	4,000,000		4,000,000
<b>Total all funds</b>	<u>\$21,743,691</u>	<u>\$21,310,363</u>	(\$545,663)	<u>\$20,764,700</u>
Less estimated income	115,044	115,044	0	115,044
<b>General fund</b>	<u>\$21,628,647</u>	<u>\$21,195,319</u>	(\$545,663)	<u>\$20,649,656</u>
<b>FTE</b>	137.00	137.00	0.00	137.00

#### Department No. 127 - State Tax Commissioner - Detail of House Changes

	<b>Reduces Funding for Information Technology Costs<sup>1</sup></b>	<b>Reduces the Recommended Funding for Health Insurance<sup>2</sup></b>	<b>Total House Changes</b>
Salaries and wages		(\$14,138)	(\$14,138)
Operating expenses	(531,525)		(531,525)
Capital assets			
Homestead tax credit			
<b>Total all funds</b>	<u>(\$531,525)</u>	<u>(\$14,138)</u>	<u>(\$545,663)</u>
Less estimated income	0	0	0
<b>General fund</b>	<u>(\$531,525)</u>	<u>(\$14,138)</u>	<u>(\$545,663)</u>
<b>FTE</b>	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for information technology by \$531,525 from the general fund, which represents a reduction in information technology funding of approximately 20 percent.

<sup>2</sup> Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

#### Senate Bill No. 2006 - State Tax Commissioner - Conference Committee Action

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Salaries and wages	\$13,073,578	\$12,820,250	(\$14,138)	\$12,806,112	\$12,806,112	
Operating expenses	4,595,113	4,465,113	(26,486)	4,438,627	3,933,588	505,039
Capital assets	75,000	25,000		25,000	25,000	
Homestead tax credit	4,000,000	4,000,000		4,000,000	4,000,000	
Total all funds	\$21,743,691	\$21,310,363	(\$40,624)	\$21,269,739	\$20,764,700	\$505,039
Less estimated income	115,044	115,044	0	115,044	115,044	0
General fund	\$21,628,647	\$21,195,319	(\$40,624)	\$21,154,695	\$20,649,656	\$505,039
FTE	137.00	137.00	0.00	137.00	137.00	0.00

#### Department No. 127 - State Tax Commissioner - Detail of Conference Committee Changes

	Reduces Funding for Information Technology Costs <sup>1</sup>	Reduces Recommended Funding for Health Insurance <sup>2</sup>	Total Conference Committee Changes
Salaries and wages		(\$14,138)	(\$14,138)
Operating expenses	(26,486)		(26,486)
Capital assets			
Homestead tax credit			
Total all funds	(\$26,486)	(\$14,138)	(\$40,624)
Less estimated income	0	0	0
General fund	(\$26,486)	(\$14,138)	(\$40,624)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for information technology by \$26,486 from the general fund, which represents a reduction in information technology funding of approximately 5 percent, excluding information technology salaries and wages and previous reductions made in the area of information technology.

<sup>2</sup> Funding for state employee health insurance premiums is reduced from \$493 to \$488.70 per month.

This amendment also adds a section providing for a Legislative Council study of the effect on cities and counties of repeal of the estate tax.