

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1176 - Funding Summary

	Base Budget	House Changes	House Version
State Tax Commissioner			
Primary residence credit		\$547,601,793	\$547,601,793
Homestead tax credit		5,450,000	5,450,000
Total all funds	\$0	\$553,051,793	\$553,051,793
Less estimated income	0	473,000,000	473,000,000
General fund	\$0	\$80,051,793	\$80,051,793
FTE	0.00	0.00	0.00
Bill total			
Total all funds	\$0	\$553,051,793	\$553,051,793
Less estimated income	0	473,000,000	473,000,000
General fund	\$0	\$80,051,793	\$80,051,793
FTE	0.00	0.00	0.00

House Bill No. 1176 - State Tax Commissioner - House Action

This bill provides property tax relief as follows:

- Expands the homestead tax credit by increasing the income thresholds by \$10,000 each, from \$40,000 to \$50,000 and from \$70,000 to \$80,000.
- Increases the annual renters refund limit under the homestead credit program by \$200, from \$400 to \$600.
- Increases the primary residence credit from \$500 per year to \$1,450 per year.
- Changes the allocations from the legacy earnings fund to remove the allocations to the general fund and the strategic investment and improvements fund and to add an allocation to a newly created legacy property tax relief fund.
- Appropriates \$473 million from the legacy property tax relief fund to the Tax Commissioner for the state reimbursement of the primary residence credit, of which approximately \$74.6 million is derived from a transfer from the general fund and \$398.4 million is derived from an allocation from the legacy earnings fund.
- Appropriates \$5.45 million from the general fund to the Tax Commissioner for the expansion of the homestead tax credit.