

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1575 - Funding Summary

	Base Budget	House Changes	House Version
State Tax Commissioner			
Property tax relief credit		\$568,401,793	\$568,401,793
Total all funds	\$0	\$568,401,793	\$568,401,793
Less estimated income	0	483,400,000	483,400,000
General fund	\$0	\$85,001,793	\$85,001,793
FTE	0.00	0.00	0.00
Bill total			
Total all funds	\$0	\$568,401,793	\$568,401,793
Less estimated income	0	483,400,000	483,400,000
General fund	\$0	\$85,001,793	\$85,001,793
FTE	0.00	0.00	0.00

House Bill No. 1575 - 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.
- Creates a new property tax relief credit to provide taxable valuation reductions on residential property (30.6 percent reduction), agricultural property (15 percent reduction), and commercial property (15 percent reduction).
- 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 \$483.4 million from the legacy property tax relief fund to the Tax Commissioner for the state reimbursement of the primary residence credit, of which approximately \$85 million is derived from a transfer from the general fund and \$398.4 million is derived from an allocation from the legacy earnings fund.