

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 1104** HLS 12RS 1554

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 14, 2012 8:59 AM	Author: JACKSON, K
Dept./Agy.: Revenue / Economic Development	Analyst: Greg Albrecht
Subject: Tax Incentive Reporting	

TAX CREDITS

RE NO IMPACT GF EX See Note

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Requires state agencies which administer tax credits to report certain information

Requires preparation and submittal of a report to the legislature from each agency that administers tax incentives. The reports are to assess who is receiving the benefits, the return on investment to the state, and any unintended effects and conflicts resulting from the benefits. Proprietary or trade secret information is not to be disclosed, and taxpayer records retain their confidentiality. State and local officials are required to cooperate with each other in compiling information for the reports, and the Department of Revenue is to develop a format for agency use that is similar to the Department's current Tax Exemption Report. The House Ways & Means and the Senate Revenue & Fiscal Affairs committees are to hold hearings on the reports every odd-numbered year prior to session, and may report findings and recommendations to the legislature.

EXPENDITURES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Most tax incentives are administered by the Departments of Revenue and Economic Development, both of which already generate annual reports that address much of the requirements of this bill. Some additional information may have to be compiled or reported, but any additional costs are likely to be minimal. In a few instances an incentive may be administered by another agency (Insurance, Child Services, Labor etc.). These agencies are likely to already compile much of the information required by this bill, or can compile for the few incentives they administer without a large cost burden.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}

H. Gordon Monk

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

H. Gordon Monk
Legislative Fiscal Officer