

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version SB 149
Fiscal Note Number _____
(-) Publish Date _____

Identifier (file name)	SB149-DOR-TAX-02-02-12	Dept. Affected	Revenue
Title	Tax Credit for Donations to Dog Mushing	Appropriation	Taxation and Treasury
		Allocation	Tax
Sponsor	Senator Thomas		
Requester	(S) L&C	OMB Component Number	2476

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
			FY13	FY13	FY14	FY15	FY16
OPERATING EXPENDITURES							
Personal Services	108.5		108.5	108.5	108.5	108.5	108.5
Travel							
Services	4.7		4.7	4.7	4.7	4.7	4.7
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	113.2	0.0	113.2	113.2	113.2	113.2	113.2

FUND SOURCE (Thousands of Dollars)							
1002	Federal Receipts						
1003	GF Match						
1004	GF	113.2	113.2	113.2	113.2	113.2	113.2
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
TOTAL	113.2	0.0	113.2	113.2	113.2	113.2	113.2

POSITIONS							
Full-time	1		1	1	1	1	1
Part-time							
Temporary							

CHANGE IN REVENUES	***	***	***	***	***	***	***

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version

Prepared by	Johanna Bales, Deputy Director	Phone 269-6628
Division	Tax	Date/Time 2/2/2012 3:10 p.m.
Approved by	Jerry Burnett, Director Administrative Services	Date 2/6/2012
	Department of Revenue	

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BILL NO. SB 149

Analysis

Bill Language:

This bill would allow a maximum credit of \$7,900 to a taxpayer for contributions made to a qualified dog mushing corporation. The maximum credits allowed for all taxpayers for contributions made to each qualified dog mushing corporation would be limited to \$50,000. Taxpayers liable for taxes in all tax programs administered by the Department of Revenue and insurance premiums and title insurance premiums tax administered by the Department of Commerce, Community, and Economic Development would be eligible for the credit. The Department of Revenue would be required to authorize the amount of credits allowed to each dog mushing corporation each calendar year. There is no effective date for this legislation. Therefore, if passed, it would be effective for the calendar year 2012 and could effect revenues received in fiscal year 2013.

Revenues:

The Department of Revenue would be required to authorize the amount of credits allowed to each dog mushing corporation each calendar year. The amount of credits allowed for contributions to each dog mushing corporation would be anywhere from \$12,500 to a maximum of \$50,000 each year depending upon the amount of expenditures incurred by the corporation. We have approximately 20 entities that we know of who may qualify as a dog mushing corporation, however, we are unable to predict how many entities may qualify, therefore, we cannot determine the amount of reduced revenue.

Expenditures:

This bill would require the Department of Revenue to authorize the amount of credits allowed for contributions made to each dog mushing corporation each year. The authorization would be based on expenditures of the dog mushing corporation made in the previous calendar year. In addition, the Department of Revenue would be required to track the use of the credit throughout 21 different tax programs and ensure that total credits did not exceed the amount authorized each taxpayer and each dog mushing corporation. The department expects that it will need one corporate income tax auditor II to conduct the examinations and audits required as a result of this legislation.