

# Fiscal Note

State of Alaska  
2022 Legislative Session

Bill Version: HB 37  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB037CS(W&M)-DOR-PFD-1-22-22  
Title: INCOME TAX; PERMANENT FUND; EARNINGS  
RES.  
Sponsor: WOOL  
Requester: (H) State Affairs

Department: Department of Revenue  
Appropriation: Taxation and Treasury  
Allocation: Permanent Fund Dividend Division  
OMB Component Number: 981

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services	0.5						
Travel							
Services	26.2						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>26.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

1050 PFD Fund (Other)	26.7						
<b>Total</b>	<b>26.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2022) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2023) cost:** 0.0 (separate capital appropriation required)

**Does the bill create or modify a new fund or account?** No  
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/22

## Why this fiscal note differs from previous version/comments:

Updated for SLA2022 fiscal note template.

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Division:	Permanent Fund Dividend Division	Date:	01/22/2022 05:00 PM
Approved By:	Eric DeMoulin, Administrative Services Director	Date:	01/24/22
Agency:	Department of Revenue		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2022 LEGISLATIVE SESSION

BILL NO. CSHB 37

### Analysis

The proposed legislation changes the calculation formula for the Permanent Fund Dividend (PFD). It allows an Alaskan to direct all or part of their dividend to pay a state income tax. Based on the eligibility definition in AS 43.23.005, after an eligibility determination has been made, the PFD Division will transfer funds to the Tax Division as directed by the applicant.

Eligibility is an ongoing activity; the PFD Division will transmit the information once per month, as eligible applicants are paid.

The bill will require the PFD Division to modify online and paper PFD application forms for one-time administrative costs of 20 hours at \$25.00 per hour. The PFD Division estimates one-time programming costs of 218 hours at \$120 per hour for a total of \$26.2. Ongoing costs will be absorbed by the Division.