

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 413
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Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title: Alaska Personal Income Tax BRU: Revenue Operations
 Component: Tax Division
 Sponsor: Rules Committee
 Requester: Governor Component Number: 2476

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	2,308.2	3,985.6	4,991.4	4,903.3	4,903.3	4,903.3
Travel	138.8	150.5	169.3	150.0	150.0	150.0
Contractual	1,379.4	1,850.9	2,099.1	2,090.4	2,090.4	2,090.4
Supplies	40.5	81.5	103.1	102.3	102.3	102.3
Equipment	392.0	608.0	104.0			
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	4,258.9	6,676.5	7,466.9	7,246.0	7,246.0	7,246.0
CAPITAL EXPENDITURES	3,921.5	1,302.5	500.7			
CHANGE IN REVENUES (increase)	175,000.0	350,000.0	**	**	**	**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	8,180.4	7,979.0	7,967.6	7,246.0	7,246.0	7,246.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	8,180.4	7,979.0	7,967.6	7,246.0	7,246.0	7,246.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time	49	79	92	88	88	88
Part-time						
Temporary		46	46	46	46	46

ANALYSIS: (Attach a separate page if necessary)

** In FY 2003, we estimate that the Alaska Personal Income Tax will raise \$175 million. This is half of the total annual revenue estimate of \$350 million. Actual revenues for the first six months of the tax (the last six months of Fiscal 2003) might be larger or smaller depending on the timing of withholding, refunds and estimated payments. We have estimated this revenue using 1999 Internal Revenue Service Data.

We used asterisks on years after FY 2004 because of the level of uncertainty. Estimates do not include any of the following variables: (1) federal tax changes (including the tax cuts approved by Congress last year) that will decrease personal tax liability, (2) growth of real income or population, (3) tax avoidance or evasion, (4) changes in the structure of the Alaska economy, and (5) non-resident business income.

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 Division: Tax Division Date/Time 02/11/2002 11 a.m.
 Approved by: Larry Persily, Deputy Commissioner Date 02/11/2002
 Agency: Department of Revenue