

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 299(CRA)
 (H) Publish Date: 4/21/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
 Title Municipal Property Tax Exemption RDU Community Assist & Ec Dev (405)
 Component Community Advocacy
 Sponsor Kohring
 Requester House Community & Regional Affairs Component No. 2703

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation would increase the mandatory exemption under AS 29.45.030(e) for senior citizens and disabled veterans from the current \$150,000 to \$250,000. The state is required to reimbursement the revenues lost to municipalities for this program under AS 29.45.030(g) but has not done so since 1996. For 2005 this program cost municipalities \$39.8 million. This legislation would add an estimated \$14 million tax obligation to local governments. If the state were to fund the reimbursement program to the municipalities the cost from general funds would be approximately \$56 million for the 2006 tax year.

The legislation will not create a fiscal impact on the operations of the department, unless the funding appropriation is made under AS 29.45.030(g)

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