

# FISCAL NOTE

**STATE OF ALASKA**  
**2008 LEGISLATIVE SESSION**

Fiscal Note Number: 3  
 Bill Version: SCS CSHB 125(FIN)  
 (S) Publish Date: 3/25/08

Identifier (file name): :SHB125(FIN)-DOR-TAX-1-21-0 Dept. Affected: Revenue 04  
 Title: Budget Planning & Long Range Fiscal Plan RDU: Taxation and Treasury  
 Component: Tax Division  
 Sponsor: House Ways and Means  
 Requester: House Finance Component Number: 2476

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	*	*	*	*	*	*	*	*

<b>CAPITAL EXPENDITURES</b>								
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<b>CHANGE IN REVENUES ( )</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>	<b>0.0</b>
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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 Interagency Receipts								
<b>TOTAL</b>	*	*	*	*	*	*	*	*

Estimate of any current year (FY2008) cost: 0.0

**POSITIONS**

Full-time								
Part-time								
Temporary								

**ANALYSIS:** (Attach a separate page if necessary)

See attached.

Prepared by: Nels Tomlinson  
 Division: Tax  
 Approved by: Jerry Burnett  
Department of Revenue

Phone 465-5636  
 Date/Time 1/18/08 11:00 AM  
 Date 1/21/2008

## FISCAL NOTE # 3

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

BILL NO. SCS CSHB 125(FIN)

### ANALYSIS CONTINUATION

**Bill Language:** This bill would require the governor to provide a long range financial plan for the state, covering projected sources `` ... of funds during the succeeding 10 fiscal years. The long range fiscal plan must include sufficient details to identify significant sources of funds [Section 1 (b)(1)(A)]."

The bill also would permit the governor to include recommendations to raise revenue for operation of state government while maintaining a stable tax environment [Section 1 (b)(4)(D) ].

**Revenues:** This bill will have no effect on revenues.

**Expenditures:** The additional expenditures associated with this bill are indeterminate. After consulting with the governor's Office of Management and Budget, we believe that the projections required by Section 1 (b)(1)(A) of this bill could be provided by a minor extension of our current revenue forecasts. The Department of Revenue currently produces semi-annual revenue forecasts, and the succeeding two years' detailed revenue forecasts are published in the Revenue Sources Book. The Department also publishes the succeeding ten years' forecasts of Total Unrestricted General Purpose Revenue. If the new projections can be fitted into our current framework of revenue projections, there would be no significant additional costs associated with this bill. Whether we can fit the required forecasts into our existing forecasting framework will depend upon the governor's eventual decision as to the level of accuracy and detail required.

The forecasts of potential taxes which might be required under Section 1 (b)(4)(D) are outside of the current scope of our forecasts. Detailed forecasts of the revenues and economic impacts of new taxes would require additional expenditures.