

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 367(EDC)
 (H) Publish Date: 3/29/10

Identifier (file name): HB367-CED-INS-3-9-10 Dept. Affected: DCCED
 Title Tax Credits for Educational Contributions RDU Insurance
 Component Insurance
 Sponsor Representative Munoz
 Requester House Education Committee Component Number 354

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
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	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 Interagency Receipts								
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

This bill increases the credit allowed against premium taxes for insurance companies who make contributions to educational entities and to the Alaska Fire Standards Council. The bill would have no impact on the operating expenses of the Division of Insurance. However, the impact on revenue is indeterminate. In FY09 there were three insurance companies who claimed the maximum premium tax credit for a total of \$450,000. The bill in effect removes the current tax credit cap thus leaving a potential for significant impact on premium tax revenues. The gross insurance premium tax before various tax credits and service fees in FY09 was \$50,689,494. Thus the bill could at its maximum impact result in that amount of lost revenue.

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 Division Insurance
 Approved by: Emil Notti, Commissioner
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