

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version SB 149
 Fiscal Note Number 3
 (S) Publish Date 2/17/12

Identifier (file name) SB149-DOR-TAX-02-02-12 Dept. Affected Revenue
 Title Tax Credit for Donations to Dog Mushing Appropriation Taxation and Treasury
 Allocation Tax
 Sponsor Senator Thomas
 Requester (S) L&C OMB Component Number 2476

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES								
Personal Services	108.5		108.5	108.5	108.5	108.5	108.5	108.5
Travel								
Services	4.7		4.7	4.7	4.7	4.7	4.7	4.7
Commodities								
Capital Outlay								
Grants, Benefits								
Miscellaneous								
TOTAL OPERATING	113.2	0.0	113.2	113.2	113.2	113.2	113.2	113.2

FUND SOURCE (Thousands of Dollars)

	FY13	FY13	FY14	FY15	FY16	FY17	FY18
1002 Federal Receipts							
1003 GF Match							
1004 GF	113.2		113.2	113.2	113.2	113.2	113.2
1005 GF/Prgm (DGF)							
1037 GF/MH (UGF)							
1178 temp code (UGF)							
TOTAL	113.2	0.0	113.2	113.2	113.2	113.2	113.2

POSITIONS

	FY13	FY14	FY15	FY16	FY17	FY18
Full-time	1	1	1	1	1	1
Part-time						
Temporary						

CHANGE IN REVENUES	FY13	FY14	FY15	FY16	FY17	FY18
	***	***	***	***	***	***

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version

Prepared by Johanna Bales, Deputy Director
 Division Tax
 Approved by Jerry Burnett, Director Administrative Services
Department of Revenue

Phone 269-6628
 Date/Time 2/2/2012 3:10 p.m.
 Date 2/6/2012

Analysis**Bill Language:**

This bill would allow a maximum credit of \$7,900 to a taxpayer for contributions made to a qualified dog mushing corporation. The maximum credits allowed for all taxpayers for contributions made to each qualified dog mushing corporation would be limited to \$50,000. Taxpayers liable for taxes in all tax programs administered by the Department of Revenue and insurance premiums and title insurance premiums tax administered by the Department of Commerce, Community, and Economic Development would be eligible for the credit. The Department of Revenue would be required to authorize the amount of credits allowed to each dog mushing corporation each calendar year. There is no effective date for this legislation. Therefore, if passed, it would be effective for the calendar year 2012 and could effect revenues received in fiscal year 2013.

Revenues:

The Department of Revenue would be required to authorize the amount of credits allowed to each dog mushing corporation each calendar year. The amount of credits allowed for contributions to each dog mushing corporation would be anywhere from \$12,500 to a maximum of \$50,000 each year depending upon the amount of expenditures incurred by the corporation. We have approximately 20 entities that we know of who may qualify as a dog mushing corporation, however, we are unable to predict how many entities may qualify, therefore, we cannot determine the amount of reduced revenue.

Expenditures:

This bill would require the Department of Revenue to authorize the amount of credits allowed for contributions made to each dog mushing corporation each year. The authorization would be based on expenditures of the dog mushing corporation made in the previous calendar year. In addition, the Department of Revenue would be required to track the use of the credit throughout 21 different tax programs and ensure that total credits did not exceed the amount authorized each taxpayer and each dog mushing corporation. The department expects that it will need one corporate income tax auditor II to conduct the examinations and audits required as a result of this legislation.