

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1006

Page 1, line 3, remove the first "and"

Page 1, line 4, after "salary" insert "; to authorize the tax commissioner to enter into a financing agreement to establish an integrated tax system; and to declare an emergency"

Page 1, line 20, replace "621,818" with "568,477"

Page 1, line 21, replace "224,702" with "174,702"

Page 1, remove line 22

Page 1, line 23, replace "3,846,520" with "743,179"

Page 2, line 2, replace "3,841,564" with "738,223"

Page 2, line 9, replace "13,427,930" with "13,374,589"

Page 2, line 10, replace "4,663,329" with "4,613,329"

Page 2, line 12, replace "7,000,000" with "4,000,000"

Page 2, line 13, replace "25,116,259" with "22,012,918"

Page 2, line 15, replace "24,996,259" with "21,892,918"

Page 2, line 25, remove "seven" and overstrike "hundred seventy-four" and insert immediately thereafter "thirty-six"

Page 2, line 26, remove "may not exceed", overstrike "eight hundred", and replace "forty-five" with "seventy-seven"

Page 2, after line 27, insert:

**"SECTION 6. FINANCING AGREEMENT AUTHORIZATION - APPROPRIATION.** The state tax commissioner is authorized, with the advice of the chief information officer of the state, to purchase, finance the purchase, and lease equipment, software, and services, as may be determined necessary by the state tax commissioner, to establish an integrated tax processing system for use by the office of the state tax commissioner. The principal amount of any financing agreement entered into by the state tax commissioner may not exceed \$14,000,000 and the proceeds acquired from any financing agreement must be used for this stated purpose and are appropriated for the period beginning with the effective date of this Act and ending June 30, 2007. During the biennium beginning July 1, 2007, and ending June 30, 2009, the state tax commissioner shall commence repayment of any financing agreement entered into, and repayment amounts, including principal and interest, must be incorporated in the state tax commissioner's biennial budget requests to the legislative assembly.

**SECTION 7. EMERGENCY.** Section 6 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1006 - State Tax Commissioner - House Action**

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$13,427,930	(\$53,341)	\$13,374,589
Operating expenses	4,663,329	(50,000)	4,613,329
Capital assets	25,000		25,000
Homestead tax credit	<u>7,000,000</u>	<u>(3,000,000)</u>	<u>4,000,000</u>
Total all funds	\$25,116,259	(\$3,103,341)	\$22,012,918
Less estimated income	<u>120,000</u>	_____	<u>120,000</u>
General fund	\$24,996,259	(\$3,103,341)	\$21,892,918
FTE	133.00	0.00	133.00

**Dept. 127 - State Tax Commissioner - Detail of House Changes**

	DECREASES FUNDING FOR OPERATIONS <sup>1</sup>	REDUCES COMPENSATION PACKAGE TO 3/4	DECREASES FUNDING FOR THE HOMESTEAD TAX CREDIT <sup>2</sup>	TOTAL HOUSE CHANGES
Salaries and wages		(\$53,341)		(\$53,341)
Operating expenses	(\$50,000)			(50,000)
Capital assets				
Homestead tax credit	_____	_____	<u>(\$3,000,000)</u>	<u>(3,000,000)</u>
Total all funds	(\$50,000)	(\$53,341)	(\$3,000,000)	(\$3,103,341)
Less estimated income	_____	_____	_____	_____
General fund	(\$50,000)	(\$53,341)	(\$3,000,000)	(\$3,103,341)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment decreases funding for operations.

<sup>2</sup> This amendment decreases funding for the homestead tax credit from \$7 million to \$4 million, the 2003-05 level.

This amendment authorizes the State Tax Commissioner to purchase, finance the purchase, and lease equipment, software, and services to establish an integrated tax processing system. The principal amount of any financing agreement entered into may not exceed \$14 million and the proceeds are appropriated.