

**FISCAL NOTE**  
**Requested by Legislative Council**  
**02/04/2019**

Amendment to: Engrossed SB 2278

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>						
<b>Expenditures</b>			\$250,000			
<b>Appropriations</b>			\$250,000			

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
<b>Counties</b>			
<b>Cities</b>			
<b>School Districts</b>			
<b>Townships</b>			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Engrossed SB 2278 deals with eligibility requirements and provides for the confidentiality of documents associated with the homestead credit and the farm residence property tax exemption.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 of Engrossed SB 2278 requires farmers claiming the farm residence property tax exemption to provide an eligibility form to the tax assessor. A sampling of these forms are required to be reviewed by the tax commissioner.

Section 2 provides confidentiality regarding the eligibility for the homestead property tax credit program.

Participation in these programs is not expected to change as a result of the provisions of this bill. The fiscal impact is zero, with the exception of the administrative costs.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

There will be a one-time expenditure of an estimated \$250,000 to set up a system for receiving approximately 12,000 eligibility forms from the counties each year, for the farm residence exemption. There may be additional on-going costs associated with the annual review of a sample of these forms.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

If enacted, engrossed SB 2278 will require a one-time \$250,000 appropriation to the tax commissioner.

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