

AMENDED BILL

Passage of this bill could result in a decrease to the Uniform School Fund of \$89,000,000 beginning in FY 2001. The loss would increase to approximately \$181,000,000 in FY 2002. The Tax Commission will require an appropriation of \$363,000 in FY 2000 from the Sales and Use Tax Administration Fee to implement the provisions of the bill and an additional appropriation of \$30,000 from the General Fund. The bill also requires an appropriation from the General Fund to replace lost revenue in the Uniform School Fund. Based on the forecast loss the appropriation would be \$89,000,000 in FY 2001. Beginning in FY 2002 the bill will shift the income tax credit to a sales tax exemption and the General Fund loss would be \$155,600,000.

	<u>FY 00 Approp.</u>	<u>FY 01 Approp.</u>	<u>FY 00 Revenue</u>	<u>FY 01 Revenue</u>
General Fund	\$30,000	\$89,000,000	\$0	\$0
Uniform School Fund	\$0	\$0	\$0	(\$89,000,000)
Sales Tax Admin. Fee	\$363,000	\$0	\$0	\$0
TOTAL	<u><u>\$393,000</u></u>	<u><u>\$89,000,000</u></u>	<u><u>\$0</u></u>	<u><u>(\$89,000,000)</u></u>

Individual and Business Impact

The average impact on a taxpayer would be \$40 for each personal exemption claimed in FY 2001 and \$80 for each personal exemption claimed in FY 2002.
