



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1162

PRINTERS NO. 2399

PRIME SPONSOR: Schweyer

COST / (SAVINGS)

FUND	FY 2015/16	FY 2016/17
General Fund	\$0	\$0
Lottery Fund	\$0	\$0
Property Tax Relief Fund	\$0	\$8,500,000

SUMMARY: House Bill 1162, Printer's Number 2399, amends the Taxpayer Relief Act (Special Session Act 1 of 2006) further providing for definitions in determining eligibility for the Property Tax and Rent Rebate (PTRR) program.

ANALYSIS: Currently, PTRR excludes 50% of Railroad Social Security benefits from eligible income. House Bill 1162 amends the definition of income for the PTRR program to expand the 50% exclusion to Social Security Substitute Pensions for calendar years 2015 and thereafter.

The act shall take effect immediately.

FISCAL IMPACT: Enactment of this legislation is estimated to result in additional PTRR rebates being issued totaling \$8.5 million annually according to the Department of Revenue. Excluding 50% of Social Security Substitute Pensions from the definition of income will reduce the eligibility income of some claimants allowing those claimants to now qualify for a rebate under the program or increase the amount of the rebate to the claimant due to a lower eligibility income amount.

Section 1308 of the act provides that the payment of PTRR claims for amounts greater than the claims paid in fiscal year 2006-07 shall be transferred from the Property Tax Relief Fund to the State Lottery Fund. Therefore, any additional funds needed to pay increased PTRR rebates out of the Lottery Fund as a result of the changes made in the legislation will require additional funds to be transferred from the Property Tax Relief Fund to the Lottery Fund. As a result, there is no fiscal impact on the Lottery Fund. However, the amount of the increased rebates, which is estimated to be \$8.5 million, will reduce the amount of funds available in the Property Tax Relief Fund.

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House Appropriations Committee (R)

DATE: November 16, 2015

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.