



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 645

PRINTERS NO. 1695

PRIME SPONSOR: O'Neill

REVENUE INCREASE / (DECREASE)

FUND	FY 2017/18	FY 2018/19
General Fund	\$0	See Fiscal Impact

SUMMARY:

House Bill 645, Printer's Number 1695, amends Article XIX-A (Neighborhood Assistance Tax Credit) of the Tax Reform Code of 1971 further providing for tax credit and grant of tax credit and providing for reporting.

ANALYSIS:

HB 645 amends Sections 1904-A (Tax Credit) and 1905-A (Grant of Tax Credit) providing for an increase in the total amount of tax credits available under the Neighborhood Assistance Tax Credit program from \$18 million to \$36 million.

Section 1908-A (Reporting) is added requiring the Department of Community and Economic Development to issue a report to the General Assembly within 12 months and each five years thereafter. The report shall include a funding evaluation of the tax credit program and recommendations on ways the department can interact with and promote the inclusion of community organizations not previously included in the projects receiving tax credits.

This legislation takes effect in 60 days.

FISCAL IMPACT:

To the extent that the full amount of the increase in available tax credits is utilized, enactment of this legislation will result in the loss of General Fund revenues of up to \$18 million each year beginning in Fiscal Year 2018-19. For purposes of this analysis, it is assumed that this legislation will become effective July 1, 2018.

PREPARED BY: Jenny P. Stratton
House Appropriations Committee (R)

DATE: April 13, 2018

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