

BILL SUMMARY
1st Session of the 53rd Legislature

Bill No.:	SB 969
Version:	PCS1
Request Number:	7253
Author:	Rep. Denney
Date:	3/28/2011
Impact:	Claimed Credits: FY-13: \$4.0 Million FY-14: \$11.0 Million (\$5.0 Million Annual Cap on Credits Earned)

Tax Commission Administrative Costs:
Estimated \$115,546

Research Analysis

Pending

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Prepared By: "Click and type"

Fiscal Analysis

The Tax Commission is directed to maintain a listing of all credits reserved during each tax year. When the five million dollars (\$5.0 million), the maximum amount of credits available each year, is reached the Commission will notify all scholarship granting organizations that no additional credits are available for the year. Should eligible claims exceed the cap; the Commission will determine each taxpayer's proportionate share of the total credit pool.

The measure allows \$5.0 million to be generated in tax years 2011 and in 2012, while claims may not be made until tax year 2013. The existence of qualified claims are assumed to sufficient to alter withholding and estimated pay remittances in tax year 2013 resulting in an FY-13 estimated revenue decrease of \$4.0 million. The remaining \$6.0 million in credits earned in tax years 2011 and 2012 plus \$5.0 million in credits earned in tax year 2013 are expected to be claimed in FY-14 (\$11.0 million).

Prepared By: Mark Tygret

Other Considerations

The Tax Commission also estimates the need for two staff auditors for monitoring of the program, at a recurring cost of \$108,000 and one-time \$14,746 cost for equipment and IT programming, for an FY-12 administrative cost of \$115,746.