

DEPARTMENT OF TAXATION 2001 Fiscal Impact Statement

1. **Patron:** Grayson

3. **Committee:** Passed House and Senate

4. **Title:** Individual Income Tax: 4-H Educational
Centers Check-off

2. **Bill Number** HB 1596

House of Origin:

 Introduced

 Substitute

 Engrossed

Second House:

 In Committee

 Substitute

 X **Enrolled**

5. **Summary/Purpose:**

This bill would create an individual income tax check-off for voluntary contributions to 4-H Educational Centers for their (i) educational, leadership and camping programs and (ii) operational and capital costs.

This bill is effective for taxable years beginning on and after January 1, 2002, but before January 1, 2007.

6. **Fiscal Impact Estimates are:** None. (See Line 8.)

6a. **Expenditure Impact:**

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Fund</i> |
|-------------------------------|-----------------------|--------------------|
| 2000-01 | \$0 | GF |
| 2001-02 | \$42,360 | GF |
| 2002-03 | \$107,792 | GF |

7. **Budget amendment necessary:** Yes.

ITEM(S): 291 and 293, Department of Taxation

8. **Fiscal implications:**

TAX's cost for implementing a **single** piece of legislation cannot be calculated precisely due to economies of scale. TAX has calculated the total for all tax bills that had been acted upon favorably in both houses and submitted these costs prior to the conference committee report. There are two contribution bills that have similar implementation needs: this bill and HB 2651. We have impacted the costs of both bills as a package. The cost of implementing both HB 1596 and HB 2651 would be \$42,360 in FY 02, and \$107,792 in FY 03.

This bill would have no impact in the General Fund revenues because check-offs are voluntary contributions made by taxpayers that reduce their income tax refunds.

9. Specific agency or political subdivisions affected:

Department of Taxation

10. Technical amendment necessary: No.

11. Other comments:

This bill would allow individuals who are due a tax refund to contribute to 4-H Educational Centers. This check-off would be effective for taxable years beginning on or after January 1, 2002, but before January 1, 2007. There are 18 active voluntary contribution check-off provisions. Thirteen are permanent, and five sunset. The following illustrates their current status:

| Voluntary Check-off Contribution | Current Expiration Date |
|----------------------------------|-------------------------|
| Center for Government Studies | January 1, 2005 |
| Chesapeake Bay | None |
| Children of America Finding Hope | None |
| Community Political Fund | None |
| Elderly Transportation Fund | None |
| Family Trust Fund | None |
| Historic Resources Fund | January 1, 2004 |
| Jamestown-Yorktown Foundation | January 1, 2008 |
| Law and Economics Center | January 1, 2005 |
| Nongame Wildlife | None |
| Open Space | None |
| Political Parties | None |
| State Forest Systems Fund | None |
| Uninsured Medical Catastrophe | None |
| U.S. Olympic | None |
| VA Arts Foundation | None |
| VA Humanities Fund | January 1, 2005 |
| VA Housing Program | None |

The following chart represents historical data on the number and amount of individual income tax check-offs:

| Program/Fund | 1995 | | 1996 | | 1997 | | 1998 | |
|-----------------------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|
| | Number | Amount | Number | Amount | Number | Amount | Number | Amount |
| Virginia Democratic Party * | 4,356 | \$46,848 | 3,676 | \$37,701 | 1,877 | \$23,655 | 1,945 | \$25,591 |
| Virginia Republican Party * | 3,255 | 32,157 | 2,835 | 29,013 | 1,422 | 18,611 | 1,454 | 19,974 |
| Virginia Reform Party | | | | | 111 | 871 | 10 | 194 |
| Virginia Nongame Wildlife Program | 21,276 | 273,044 | 19,446 | 260,829 | 9,881 | 163,454 | 9,287 | 156,194 |
| Virginia Housing Program | 7,552 | 71,640 | 181 | 2,479 | 2,667 | 29,596 | 2,961 | 37,286 |
| Virginia Open Space Recreation | | | | | | | | |
| and Conservation Fund | 10,963 | 106,571 | 10,779 | 114,180 | 4,342 | 52,920 | 4,138 | 51,232 |
| Virginia Family and Children's | | | | | | | | |
| Trust Fund (FACT) | 8,334 | 72,332 | 9,285 | 88,611 | 3,588 | 40,988 | 3,306 | 42,227 |
| Virginia Elderly and Disabled | | | | | | | | |
| Transportation Fund | 11,295 | 105,617 | 222 | 2,496 | 4,113 | 47,445 | 4,263 | 54,421 |
| United States Olympic Committee | 8,170 | 67,666 | 6,794 | 56,790 | 3,220 | 33,304 | 2,338 | 24,284 |
| Community Policing Fund | 4,971 | 37,081 | 5,837 | 52,645 | 2,042 | 21,179 | 1,838 | 19,478 |
| Virginia Arts Foundation | | | | | 2,410 | 25,964 | 2,668 | 30,077 |
| Chesapeake Bay Restoration | | | | | 6,913 | 98,161 | 6,673 | 100,191 |
| Historic Resources Fund | | | | | | | 2,160 | 22,298 |
| | | | | | | | | |
| Total | 80,172 | \$812,957 | 59,055 | \$644,745 | 42,586 | \$556,148 | 43,041 | \$583,447 |

Other Legislation

House Bill 2583 would create an individual income tax check-off for voluntary contributions to local public school foundations.

House Bill 2651 would create an individual income tax check-off for voluntary contributions to promote organ and tissue donations.

cc: Secretary of Finance

Date: 3/23/01/NMS

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