

DEPARTMENT OF TAXATION

2001 Fiscal Impact Statement

1. **Patron:** Marsh

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

4. **Title:** Real Estate Tax: Application Fee
for Partial Exemptions and Tax Credits

2. **Bill Number:** SB 1242

House of Origin:

 Introduced

 Substitute

 Engrossed

Second House:

 In Committee

 Substitute

 X **Enrolled**

5. **Summary/Purpose:**

This bill would increase the maximum fee that localities are authorized to impose for applications for real property tax partial exemptions and tax credits for certain rehabilitated, renovated, or replacement structures. Under this bill, this fee may not exceed \$125 for residential properties, or \$250 for commercial, industrial, and/or apartment properties of six units or more.

Under current law, the maximum application fee that localities are authorized to impose for these partial exemptions and tax credits is \$50.

The effective date of this bill is not specified.

6. **Fiscal Impact Estimates are:** Not Available. See Line 8.

7. **Budget amendment necessary:** No.

8. **Fiscal implications:**

This bill would have no impact on state revenues. This bill would have an unknown positive impact on local revenues in localities that exercise the authority granted by this bill to raise the application fees for real property tax partial exemptions and tax credits. The amount of the revenue impact would be dependent upon the number of applications processed and the difference between the current application fee and the new application fee.

9. **Specific agency or political subdivisions affected:**

All localities that grant real property tax partial exemptions and tax credits and impose application fees for these partial exemptions and credits.

10. **Technical amendment necessary:** None.

11. Other comments:

Under current law, localities are authorized to grant real property tax partial exemptions and tax credits for certain rehabilitated, renovated, or replacement residential and commercial structures.

Localities are authorized to impose fees for processing applications for these partial exemptions and tax credits.

c: Secretary of Finance

Date: 3/23/01/JEM

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