

Department of Planning and Budget 2003 Fiscal Impact Statement

1. Bill Number HB2762

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Armstrong

3. Committee Appropriations

4. Title Deposits to the Revenue Stabilization Fund

5. Summary/Purpose: The bill would require that any deposits paid into the Revenue Stabilization Fund be equal to 66.7 percent of the product of the certified tax revenues collected in the most recently ended fiscal year times the difference between the annual percentage increase in such certified tax revenues and the average annual percentage increase in the certified tax revenues collected in the six fiscal years immediately preceding the most recently ended fiscal year. Currently, Article X, Section 8 of the Constitution of Virginia requires that such deposits be equal to at least 50 percent of such product.

6. Fiscal impact: Based upon the most recent estimates of tax revenues provided by the Department of Taxation, this bill would result in increased deposits (above the current mandatory deposits) to the Revenue Stabilization Fund in FY2006 (\$5.2 million based on estimated FY2004 certified tax revenues), FY2007 (\$25.5 million based on estimated FY2005 certified tax revenues), and FY2008 (\$26.0 million based on estimated FY2006 certified tax revenues).

7. Budget amendment necessary: No.

8. Fiscal implications: See Item 6.

9. Specific agency or political subdivisions affected: Department of Accounts; Department of Taxation; Auditor of Public Accounts.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 01/20/03/mar

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cc: Secretary of Finance
Auditor of Public Accounts