

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: HB2398

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: Joannou

3. Committee: Finance

4. Title: Treasurer; collection of local taxes.

5. Summary: Provides that the treasurer of each county and city shall deposit with the State Treasurer an amount equal to 0.2 percent of all local taxes or other charges collected by the treasurer. Out of these deposits: (i) six percent of any tax or other charges collected shall be retained by the Compensation Board for administrative purposes, (ii) 47 percent of any tax or charges collected by the treasurer shall be allocated to the Compensation Board in support of local treasurers in accordance with existing law, and (iii) 47 percent of any tax or other charges collected by the treasurer shall be allocated by the Compensation Board in support of local commissioners of the revenue in accordance with existing law.

6. Budget Amendment Necessary: Yes. Items 67.50, 67.80, and 67.90 to appropriate the collected revenues.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: The proposed legislation is expected to redirect about \$34.1 million each year from local revenue collections to the state to support the commissioners of the revenue, treasurers and Compensation Board operations.

The Comparative Report of Local Government Revenues and Expenditures, For the Fiscal Year Ended June 30, 2009, posted on the Auditor of Public Accounts' website, was used in estimating the fiscal impact. Specifically, the total local revenue as identified in Exhibit B (\$17,065,626,792) was multiplied against 0.2 percent. Of this amount, six percent would be for administrative operations in the Compensation Board (\$2,047,875) and 47 percent each would be for commissioners of the revenue and treasurers (\$16,041,689 each).

9. Specific Agency or Political Subdivisions Affected: Localities statewide, treasurers, commissioners of the revenue and Compensation Board.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/28/2011

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