

DEPARTMENT OF TAXATION

2001 Fiscal Impact Statement

1. **Patron:** Grayson

3. **Committee:** Senate Finance

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

2. **Bill Number** HB 1596

House of Origin:

 Introduced

 Substitute

 Engrossed

Second House:

 X **In Committee**

 Substitute

 Enrolled

5. Summary/Purpose:

This bill would create a permanent 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.)

7. Budget amendment necessary: No.

8. Fiscal implications:

While this bill does have costs associated with systems development, these cannot be ascertained at this time. The cost for implementing a **single** piece of legislation cannot be calculated precisely due to economies of scale. The actual cost to implement **all** legislation enacted during a given session will more than likely be less than the sum of the costs attributed to individual bills. Further, the ability to accurately predict costs is complicated because TAX is replacing its current database system. As a result, legislative changes may need to be made to both the current and the future system, depending on the effective date. Therefore, TAX is not providing specific systems costs for this bill, but will calculate the total for all tax bills once they have been acted upon favorably. Other administrative costs to implement this bill would be minimal.

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:

	1995		1996		1997		1998	
Program/Fund	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: 2/5/01/NMS

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