

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: SB9

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Whipple

3. Committee: Privileges and Elections

4. Title: **Constitutional amendment; exempts certain homeowners from taxation (voter referendum).**

5. Summary: Constitutional amendment (voter referendum); property exempt from taxation. Provides for a referendum at the November 2008 election on approval of a proposed constitutional amendment relating to property tax exemptions. The proposed amendment authorizes the General Assembly to enact legislation that will allow localities by ordinance to exempt or partially exempt from real property taxes, or defer real property taxes on, up to 20 percent of the value of residential or farm property that is the owner-occupant's primary dwelling and lived in continuously.

6. Fiscal Impact Estimates:

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	\$66,000		General

7. Budget Amendment Necessary: No.

8. Fiscal Implications: Placing an additional referendum on the ballot would have a fiscal impact of \$66,000 on the State Board of Elections. The Governor's proposed biennial budget includes \$200,000 for consideration of a the general bond referendum to fund capital projects, which is a calculated estimate to pay for the newspaper ads, posters and brochures required by Code of Virginia, § 30-19.9. Print advertisements in major newspapers impact the expense most. The fiscal impact is based on costs for prior constitutional amendments.

The State Board of Elections can absorb the \$66,000 in additional expense associated with an additional item placed on the November 2008 ballot only if the \$200,000 for the general obligation bond referendum remains in the introduced biennial budget (HB 30/SB 30) and if there are no further budget reductions to the agency in FY 2009. Funding to add a property tax amendment to the November 2008 ballot will be a \$200,000 expense to the State Board of Elections if the funding to place the general obligation bond referendum is not approved in HB 30/SB 30. Of this amount, \$66,000 would be absorbed by the Board and \$134,000 would have to be covered in a budget amendment.

9. Specific Agency or Political Subdivisions Affected: State Board of Elections

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/18/2008 egw

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cc: Secretary of Administration