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FISCAL IMPACT REPORT

SPONSOR: Vigil DATE TYPED: 03/01/01 HB 841
 SHORT TITLE: Net Income Exemption for Blind and Seniors SB _____
 ANALYST: Rael

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
	\$ (6,000.0)	\$ (6,200.0)	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

The Net Income Exemption for Blind and Seniors increases the dollar amount and income eligibility for the blind and seniors exemption.

The bill proposes that the current \$8,000 phased-down exemption from income for taxpayers 65 and over be increased to \$10,000 and that the floor and ceiling amounts also be increased. In the case of single taxpayers, the floor is increased from \$18K to \$24K and the ceiling increased from \$28,500 to \$42,000. For married joint taxpayers, the floor is increased from \$30,000 to \$40,000 and the ceiling from \$51K to \$67K.

FISCAL IMPLICATIONS

The figures below are from the Taxation and Revenue Department.

	Current Returns w/ Deduction	Current Liability	Proposed Liability	Decrease in Liability	% Decrease	Decrease per Return
Filing Status						
Single	28,623	24,863	23,050	(1,813)	-7.3%	(\$63.34)
Married Joint	33,290	62,355	58,090	(4,265)	-6.8%	(\$128.12)
Married Separate	259	885	861	(24)	-2.7%	(\$92.66)

	Current Returns w/ Deduction	Current Liability	Proposed Liability	Decrease in Liability	% Decrease	Decrease per Return
Head of Household	1,700	813	696	(117)	-14.4%	(\$68.82)
	63,872	88,916	82,697	(6,219)	-7.0%	(\$97.37)
0 to 8,000	16,511	70	62	(8)	-11.4%	(\$0.48)
8,000 to 16,000	15,920	81	37	(44)	-54.3%	(\$2.76)
16,000 to 24,000	14,061	722	218	(504)	-69.8%	(\$35.84)
24,000 to 32,000	7,546	2,168	1,061	(1,107)	-51.1%	(\$146.70)
Over 32,000	9,834	85,874	81,317	(4,557)	-5.3%	(\$463.39)
	63,872	88,915	82,695	(6,220)	-7.0%	(\$97.38)

ADMINISTRATIVE IMPLICATIONS

The TRD reports that although some systems reprogramming will be required, the administrative impact will be minimal.

FAR/njw:ar