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FISCAL IMPACT REPORT

SPONSOR: Pinto DATE TYPED: 03/02/01 HB _____
 SHORT TITLE: Special Fuels SB 808
 ANALYST: Williams

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
		\$(960.0)	Recurring	State Road Fund
		\$ (120.0)	Recurring	Local Gov't. Road Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files
 Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

The bill authorizes the Secretary of the Taxation and Revenue Department to enter into a cooperative agreement regarding special fuel excise tax when a similar tax is imposed by the Navajo Nation. Money collected by TRD on behalf of the Navajo Nation would be remitted subject to the terms of the agreement. A new credit is authorized against special fuel excise tax for taxes paid on special fuels for transactions taking place on land with the exterior boundaries of the Navajo Nation. The credit would be the amount of the qualifying Navajo tax on the transaction. The effective date is July 1, 2001.

FISCAL IMPLICATIONS

TRD estimates the state road fund revenue loss at \$960.0 in FY03 and \$120.0 for the local governments road fund in FY03. The fiscal impact range is based on an assumption of 6 million gallons sold.

ADMINISTRATIVE IMPLICATIONS

TRD notes administrative impacts would depend on the nature of the cooperative agreement.

AW/ar