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FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/08

SPONSOR Sandoval LAST UPDATED _____ HB 599

SHORT TITLE Tax Refund Contribution Corrections SB _____

ANALYST Francis

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

Department of Military Affairs (DMA)

SUMMARY

Synopsis of Bill

House Bill 599 does two things:

- Redirects distributions of contributions from the personal income tax form optional checkoff that allows taxpayers to contribute a portion of their tax refund to benefit members of the National Guard and their families activated for service in the global war on terrorism. HB599 changes the agency from Department of Veterans' Services to Department of Military Affairs (DMA).
- Directs TRD to distribute all money currently in the temporary suspense account attributable to contributions for National Guard members and their families from the personal income tax form optional contribution check-off to DMA.

There is an emergency clause so the provisions will be effective upon signature of the Governor.

FISCAL IMPLICATIONS

TRD reports no fiscal impact with these changes.

SIGNIFICANT ISSUES

TRD reports that because the contribution is for *active* National Guard members, DMA is probably a better agency to handle the distribution of the contributions.

In tax year 2005, 877 taxpayers contributed almost \$20 thousand through the PIT return check-off.

NF/bb