BDR 34-738
AB 385

EXECUTIVE AGENCY

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 9, 2023

Agency Submitting: Department of Taxation

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
General Fund Revenue (Revenue)		($23,345,000)	($26,345,000)	($60,856,950)
Total	0	($23,345,000)	($26,345,000)	($60,856,950)

Explanation (Use Additional Sheets of Attachments, if required)

The Department has reviewed this bill and concluded that this credit is already administered by the Department. Any fiscal impact to the Department can be absorbed. Assuming that all tax credits are taken in the year they are approved, a total revenue loss up to $30 million will be realized in FY24 and up to a total of $33 million in FY25. Current law allows a tax credit of $6,655,000 this would equate to an additional revenue loss of $23.3 million in FY24 and of $26.3 million in FY25. The credit threshold increases by 110% of prior year credits on an annual basis.

Name Adriane Roberts-Larson

Title Deputy Executive Director - Administrative Services

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Friday, April 07, 2023

The agency's response appears reasonable.

Name Amy Stephenson

Title Director