

**FISCAL NOTE**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue increase			
SCHOOL FOUNDATION (individual income tax)	\$0	\$108,000,000	\$108,000,000
SCHOOL FOUNDATION (corporate income tax)	\$0	\$100,000,000	\$100,000,000

Source of revenue increase:

Imposition of 4% income tax imposed on individuals on all taxable income over \$200,000, distributed to the School Foundation Program Account (SFP), beginning in FY 2021;

Imposition of 4% income tax imposed on corporations on all taxable income over \$200,000, distributed to the SFP, beginning in FY 2021;

Assumptions:

The income tax imposed would apply beginning in calendar year 2021 for income earned in the 2020 tax year. The above estimate is separated for the individual income tax filers and corporate tax filers, as there is sufficient data available to determine what the individual income tax would look like. Utilized the 2015 Statistics of Income Report, from the Internal Revenue Service (most recent report available). Derived amount of credit for sales & use tax as well as property tax from the report. Made no assumption for inflation as there is no information on how credits might be affected. The Corporate income tax estimate is based on what is currently collected in North Dakota for the same tax. The amount was reduced because the North Dakota top rate is 4.31%. The amount was further reduced to recognize the credits offered for sales and property taxes required by the Wyoming Constitution.

**NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED**

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.

The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

Department of Revenue

Prepared by: Dean Temte, LSO Phone: 777-7881  
(Information provided by Dan Noble, Department of Revenue, 777-5287)