

**FISCAL NOTE**

	FY 2024	FY 2025	FY 2026
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Expenditure increase			
GENERAL FUND	\$2,040,000	\$2,100,000	\$2,200,000

Source of expenditure increase:

Increased refunds from the property tax refund program

Assumptions:

The above estimate is provided by the Department of Revenue (DOR), based on the total dollars refunded in the Property Tax Refund Program for tax year 2021 (\$1,856,033), increased for the following changes in the program parameters proposed in the bill:

- The refund limit is increased from one-half to 90% of the applicant’s prior year’s property tax.
- In tax year 2021, 70% of rejected applications were denied due to exceeding the current income limitation of three-fourths of the median gross household income for the county. It is assumed that these rejected applicants would now qualify due to increasing the household income limitation to 125% of median gross household income for the county.
- The DOR assumes an additional increase in refunds of 15% in the first year due to the expanded parameters.
- A year over year increase of 4% is assumed.

Based on the expanded program parameters in the bill, total refunds are estimated at approximately \$3.9 million in FY24, \$4.1 million in FY25 and \$4.3 million in FY26. The expenditure increases in the table above are the estimated expenditure increases over and above the current estimated cost of the program.

The additional funding needed by the DOR to fund the program, as amended by this bill, for the remainder of the 2023-24 biennium is provided in the DOR’s Agency Estimate of Administrative Impact.

**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

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