

FISCAL NOTE

	FY 2027	FY 2028	FY 2029
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase			
SCHOOL FOUNDATION FUND	\$200,800	\$204,900	\$209,000
Ad Valorem (Local Entity Share)	\$10,600	\$102,700	\$104,700

Source of revenue increase:

This legislation removes the property tax exemption for municipal or county property that is not 100% under the full and complete control of the municipality or county.

This legislation is effective for tax year 2026 (FY 2027).

Assumptions:

The Department of Revenue could identify four projects that are currently not on the tax roll and fit this proposal. The county assessor estimated the valuation for this estimate. There could be additional properties around the state that may qualify which could increase the estimated revenue increase above, but these impacts are indeterminable.

The estimate was also adjusted by the projected two percent non-mineral property assessed value growth from the October 2025 Consensus Revenue Estimating Group (CREG) forecast.

Prepared by: Matt Sackett, LSO Phone: 777-7881
(Information provided by Ken Guille, Department of Revenue, 777-5235)