

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3926-03
BILL NO.: Perfected SCS for SB 893
SUBJECT: Taxation and Revenue - Property: Financial Institutions
TYPE: Original
DATE: March 7, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **State Tax Commission** and the **Department of Economic Development - Division of Finance** stated that the proposal would not affect their agencies or any source of state funds.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

Small business tax burdens would not change; however, if delinquent tax payments would be applied differently than under current law then there could be changes in interest and late payment charges.

DESCRIPTION

This proposal would allow county collectors to apply real property tax payments to delinquencies tax on the parcels in question before applying the payment to current taxes. However, payments of real property taxes by financial institutions from escrow accounts would be applied to current taxes. (Under current law real and personal property tax payments must be applied to delinquent taxes before being applied to current taxes due.)

This proposal would also make an exception to the three-year statute of limitations on proceedings to collect delinquent property taxes. The three-year period would not begin tolling on property which had been tax-exempt and became taxable until the revised title for the land was recorded in the office of the Recorder of Deeds.

This legislation is not federally mandated, would not duplicate any other program and would not
DESCRIPTION (continued)

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require additional capital improvements or rental space. This proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Economic Development
State Tax Commission

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is cursive and somewhat stylized, with the first name "Jeanne" written in a larger, more prominent script than the last name "Jarrett".

Jeanne Jarrett, CPA
Director
March 7, 2000