

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4394-01  
Bill No.: HB 1362  
Subject: Tax Credits; Charities  
Type: Original  
Date: March 5, 2012

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Bill Summary: This proposal re-establishes the tax credit for donations to food pantries.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	\$0 to (\$2,000,000)	\$0 to (\$2,000,000)	\$0 to (\$2,000,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0 to (\$2,000,000)</b>	<b>\$0 to (\$2,000,000)</b>	<b>\$0 to (\$2,000,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials at the **Department of Insurance, Financial Institutions and Professional Registration** and the **Department of Revenue** assume there is no fiscal impact from this proposal.

In response to similar legislation filed this year SB 532, officials at the **Budget and Planning (BAP)** assume this proposal renews the Food Pantry Tax Credit, which has expired. \$1.1 million in credits were redeemed in FY11. This will reduce General and Total State Revenues by similar amounts in FY 2013 and beyond.

**Oversight** assumes this tax credit expired on August 28, 2011. This proposal would extend the tax credit and therefore **Oversight** will show the loss to state revenue of the tax credits issued starting in FY 13. This tax credit has a statutory cap of \$2 million. In the last five years an average of \$644,583 credits have been issued. **Oversight** will range the fiscal impact of the program from \$0 to the annual statutory limit of \$2 million.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>GENERAL REVENUE</b>			
<u>Revenue Reduction</u> - extension of the tax credit	<u>\$0 to</u> <u>(\$2,000,000)</u>	<u>\$0 to</u> <u>(\$2,000,000)</u>	<u>\$0 to</u> <u>(\$2,000,000)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>\$0 to</u></b> <b><u>(\$2,000,000)</u></b>	<b><u>\$0 to</u></b> <b><u>(\$2,000,000)</u></b>	<b><u>\$0 to</u></b> <b><u>(\$2,000,000)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**FISCAL IMPACT - Small Business**

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill re-authorizes the income tax credit for a donation to a food pantry and repeals its sunset provisions.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration  
Department of Revenue



Mickey Wilson, CPA  
Director  
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