

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING AMENDMENTS TO THE STATE INCOME TAX DEDUCTION FOR CONTRIBUTIONS TO A QUALIFIED 529 ACCOUNT TO ENSURE THAT THE STATE INCOME TAX DEDUCTION IS NOT ALIGNED WITH THE CHANGES IN THE FEDERAL "TAX CUTS AND JOBS ACT" OF 2017 THAT ALLOW TAX-FREE DISTRIBUTIONS FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

Prime Sponsors: Sens. Pettersen and Story
Reps. Buentello and Cutter

JBC Analyst: Alfredo Kemm
Phone: 303-866-4549
Date Prepared: February 20, 2020

Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 01/23/20.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Legislative Council Fiscal Note Staff alerted JBC Staff that new cost information was received from the Department of Revenue after the Revised Fiscal Note was issued. Identified GenTax programming rates have decreased from \$250 per hour to \$225 per hour. Programming costs are now identified as \$7,200 rather than \$8,000, reducing the identified expenditure and appropriation need to \$11,040 rather than \$11,840 in the Fiscal Note.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$11,040 General Fund to the Department of Revenue for FY 2020-21.

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) is developing a budget package for FY 2020-21. This bill requires a General Fund appropriation of \$11,040 for FY 2020-21, reducing the General Fund available for other FY 2020-21 appropriations by this amount.