

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1006

That the Senate recede from its amendments as printed on pages 1291 and 1292 of the House Journal and pages 1058 and 1059 of the Senate Journal and that Engrossed House Bill No. 1006 be amended as follows:

Page 1, line 3, after the third semicolon insert "to provide an exemption;"

Page 1, replace lines 16 through 23 with:

"Salaries and wages	\$21,528,135	\$195,869	\$21,724,004
Operating expenses	7,628,262	(878,967)	6,749,295
Capital assets	16,000	(10,000)	6,000
Homestead tax credit	18,690,000	(3,890,000)	14,800,000
Disabled veterans' credit	<u>7,175,091</u>	<u>935,109</u>	<u>8,110,200</u>
Total all funds	\$55,037,488	(\$3,647,989)	\$51,389,499
Less estimated income	<u>125,000</u>	<u>0</u>	<u>125,000</u>
Total general fund	\$54,912,488	(\$3,647,989)	\$51,264,499"

Page 2, line 2, replace "\$380,646" with "\$353,067"

Page 2, line 3, replace "\$1,249" with "\$1,241"

Page 2, after line 25, insert:

**"SECTION 7. EXEMPTION - SALES TAX AUDIT POSITION.** Up to \$75,000 of the amount appropriated from the general fund to the tax commissioner in section 1 of chapter 40 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this amount are available to provide salaries and wages funding for a sales tax audit position during the biennium beginning July 1, 2017, and ending June 30, 2019."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1006 - State Tax Commissioner - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$21,528,135	\$21,601,583	\$122,421	\$21,724,004	\$22,214,004	(\$490,000)
Operating expenses	7,628,262	6,749,295		6,749,295	6,749,295	
Capital assets	16,000	6,000		6,000	6,000	
Homestead tax credit	18,690,000	16,000,000	(1,200,000)	14,800,000	14,800,000	
Disabled veterans' credit	<u>7,175,091</u>	<u>6,910,200</u>	<u>1,200,000</u>	<u>8,110,200</u>	<u>8,110,200</u>	
Total all funds	\$55,037,488	\$51,267,078	\$122,421	\$51,389,499	\$51,879,499	(\$490,000)
Less estimated income	<u>125,000</u>	<u>125,000</u>	<u>0</u>	<u>125,000</u>	<u>125,000</u>	<u>0</u>
General fund	\$54,912,488	\$51,142,078	\$122,421	\$51,264,499	\$51,754,499	(\$490,000)
FTE	136.00	133.00	0.00	133.00	133.00	0.00

**Department No. 127 - State Tax Commissioner - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Adds Funding for Salaries and Wages <sup>2</sup>	Rebalances Funding for Tax Credit Programs <sup>3</sup>	Total Conference Committee Changes
Salaries and wages	(\$27,579)	\$150,000		\$122,421
Operating expenses				
Capital assets				
Homestead tax credit			(1,200,000)	(1,200,000)
Disabled veterans' credit			1,200,000	1,200,000
Total all funds	(\$27,579)	\$150,000	\$0	\$122,421
Less estimated income	0	0	0	0
General fund	(\$27,579)	\$150,000	\$0	\$122,421
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is adjusted to reflect this change.

<sup>2</sup> Funding of \$150,000 from the general fund is added to restore funding for 1 FTE sales tax audit position that had been reduced as part of the 2015-17 biennium budget reductions. The Senate restored \$640,000 from the general fund relating to 4 FTE audit positions.

<sup>3</sup> Funding of \$1.2 million is transferred from the homestead tax credit program to the disabled veterans' tax credit program to align the appropriations with the anticipated funding needs for the 2017-19 biennium, the same as the Senate.

A section is added to provide an exemption to allow up to \$75,000 of unspent 2015-17 biennium appropriation authority to continue in the 2017-19 biennium for a sales tax auditor position. With the \$150,000 from the general fund restored by the Conference Committee as described above, a total of \$225,000 is provided to restore funding for 2 FTE sales tax audit positions.