

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2006 - Funding Summary

	Base Budget	Final Legislative Action	Comparison To Base Budget
State Tax Commissioner			
Salaries and wages	\$20,138,488	\$22,987,714	\$2,849,226
Operating expenses	7,721,834	8,205,204	483,370
Capital assets	16,000	24,000	8,000
Homestead tax credit	20,000,000	20,000,000	
Disabled veterans credit	7,678,000	7,678,000	
Accrued leave payments	624,818		(624,818)
Total all funds	\$56,179,140	\$58,894,918	\$2,715,778
Less estimated income	125,000	125,000	0
General fund	\$56,054,140	\$58,769,918	\$2,715,778
FTE	134.00	136.00	2.00
Bill Total			
Total all funds	\$56,179,140	\$58,894,918	\$2,715,778
Less estimated income	125,000	125,000	0
General fund	\$56,054,140	\$58,769,918	\$2,715,778
FTE	134.00	136.00	2.00

Senate Bill No. 2006 - State Tax Commissioner - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$20,138,488	\$3,185,689	\$23,324,177
Operating expenses	7,721,834	510,831	8,232,665
Capital assets	16,000		16,000
Homestead tax credit	20,000,000	10,000,000	30,000,000
Disabled veterans credit	7,678,000	767,000	8,445,000
Accrued leave payments	624,818	(624,818)	
Total all funds	\$56,179,140	\$13,838,702	\$70,017,842
Less estimated income	125,000	0	125,000
General fund	\$56,054,140	\$13,838,702	\$69,892,842
FTE	134.00	3.00	137.00

Department 127 - State Tax Commissioner - Detail of Senate Changes

	Adds Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Adds Funding for FTE Positions³	Adds Funding to Continue 2013-15 Biennium Salary Adjustments⁴	Increases Funding for Operating Expenses⁵	Increases Funding to Continue Homestead Tax Credit⁶
Salaries and wages	941,784	1,421,858	392,118	332,929	97,000	
Operating expenses			47,076		463,755	
Capital assets						
Homestead tax credit						2,000,000
Disabled veterans credit						
Accrued leave payments	(624,818)					
Total all funds	\$316,966	\$1,421,858	\$439,194	\$332,929	\$560,755	\$2,000,000
Less estimated income	0	0	0	0	0	0
General fund	\$316,966	\$1,421,858	\$439,194	\$332,929	\$560,755	\$2,000,000
FTE	0.00	0.00	3.00	0.00	0.00	0.00

	Adds Funding to Expand Homestead Tax Credit⁷	Increases Funding to Continue Disabled Veterans' Tax Credit⁸	Total Senate Changes
Salaries and wages			3,185,689
Operating expenses			510,831
Capital assets			
Homestead tax credit	8,000,000		10,000,000
Disabled veterans credit		767,000	767,000
Accrued leave payments			(624,818)
Total all funds	\$8,000,000	\$767,000	\$13,838,702
Less estimated income	0	0	0
General fund	\$8,000,000	\$767,000	\$13,838,702
FTE	0.00	0.00	3.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$830,316		\$830,316
Health insurance increase	591,542		591,542
Total	\$1,421,858	\$0	\$1,421,858

³ Funding is provided from the general fund for adding FTE positions as follows:

	FTE Positions	Salaries and Wages	Operating Expenses	Total General Fund
Compliance officer	1.00	\$124,924	\$15,692	\$140,616
Property tax specialist	1.00	133,597	15,692	149,289
Research analyst	1.00	133,597	15,692	149,289
Total	3.00	\$392,118	\$47,076	\$439,194

⁴ Funding is added to continue 2013-15 biennium salary adjustments.

⁵ Funding is added for Nexus software programs and the Multistate Tax Commission audit programs (\$64,440), GenTax service maintenance contractions (\$200,000), temporary wages (\$97,000), and postage costs (\$199,315).

⁶ This amendment increases funding to continue the homestead tax credit changes made by the 2013 Legislative Assembly to provide a total of \$22 million for the homestead tax credit.

⁷ This amendment adds \$8 million to expand the eligibility income threshold from \$42,000 to \$50,000 for the homestead tax credit program for total funding of \$30 million.

⁸ This amendment increases funding to continue the disabled veterans' tax credit changes made by the 2013 Legislative Assembly to provide a total of \$8,445,000 for the disabled veterans' tax credit.

Section 4 is amended to reflect a 3 percent annual increase to the Tax Commissioner's salary.

Senate Bill No. 2006 - State Tax Commissioner - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$20,138,488	\$23,324,177	(\$520,659)	\$22,803,518
Operating expenses	7,721,834	8,232,665	(47,076)	8,185,589
Capital assets	16,000	16,000	8,000	24,000
Homestead tax credit	20,000,000	30,000,000	(10,000,000)	20,000,000
Disabled veterans credit	7,678,000	8,445,000	(767,000)	7,678,000
Accrued leave payments	624,818			
Total all funds	\$56,179,140	\$70,017,842	(\$11,326,735)	\$58,691,107
Less estimated income	125,000	125,000	0	125,000
General fund	\$56,054,140	\$69,892,842	(\$11,326,735)	\$58,566,107
FTE	134.00	137.00	(3.00)	134.00

Department 127 - State Tax Commissioner - Detail of House Changes

	Adjusts Funding for Health Insurance Premium Increases¹	Removes New FTE Positions²	Removes Funding for New FTE Operating Expenses³	Reduces Funding for Homestead Tax Credit⁴	Reduces Funding for Disabled Veterans' Tax Credit⁵	Adds One-Time Funding for Scanners⁶
Salaries and wages	(100,886)	(419,773)				
Operating expenses			(47,076)			
Capital assets						8,000
Homestead tax credit				(10,000,000)		
Disabled veterans credit					(767,000)	
Accrued leave payments						
Total all funds	(\$100,886)	(\$419,773)	(\$47,076)	(\$10,000,000)	(\$767,000)	\$8,000
Less estimated income	0	0	0	0	0	0
General fund	(\$100,886)	(\$419,773)	(\$47,076)	(\$10,000,000)	(\$767,000)	\$8,000
FTE	0.00	(3.00)	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	(520,659)
Operating expenses	(47,076)
Capital assets	8,000
Homestead tax credit	(10,000,000)
Disabled veterans credit	(767,000)
Accrued leave payments	
Total all funds	(\$11,326,735)
Less estimated income	0
General fund	(\$11,326,735)
FTE	(3.00)

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² The following funding and FTE positions are removed:

- \$124,924 from the general fund for 1 compliance officer FTE position;
- \$133,597 from the general fund for 1 property tax specialist FTE position;
- \$133,597 from the general fund for 1 research analyst FTE position;
- \$14,701 from the general fund for related salary increases; and
- \$12,954 from the general fund for related health insurance increases.

³ Funding is removed for operating expenses related to the new FTE positions.

⁴ Funding is removed to continue the homestead tax credit changes made by the 2013 Legislative Assembly (\$2 million) and to expand the eligibility threshold for homestead tax credit program (\$8 million). Total funding for the homestead tax credit program is \$20 million, which is the same as the base level.

⁵ The amendment removes funding to continue the disabled veterans' tax credit changes made by the 2013 Legislative Assembly. Total funding for the disabled veterans' tax credit program is \$7,678,000, which is the same as the base level.

⁶ One-time funding is added for scanners.

This amendment also adds a new section to provide an exemption for the \$16,000 appropriated in the capital assets line item to the Tax Department in the 2013-15 biennium. As a result, \$40,000 will be available to the department to purchase scanners, of which \$16,000 is from carryover authority, \$16,000 is included in the department's base budget, and \$8,000 of one-time funding from the general fund is added in this amendment.

Senate Bill No. 2006 - State Tax Commissioner - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$20,138,488	\$23,324,177	(\$336,463)	\$22,987,714	\$22,803,518	\$184,196
Operating expenses	7,721,834	8,232,665	(27,461)	8,205,204	8,185,589	19,615
Capital assets	16,000	16,000	8,000	24,000	24,000	
Homestead tax credit	20,000,000	30,000,000	(10,000,000)	20,000,000	20,000,000	
Disabled veterans credit	7,678,000	8,445,000	(767,000)	7,678,000	7,678,000	
Accrued leave payments	624,818					
Total all funds	\$56,179,140	\$70,017,842	(\$11,122,924)	\$58,894,918	\$58,691,107	\$203,811
Less estimated income	125,000	125,000	0	125,000	125,000	0
General fund	\$56,054,140	\$69,892,842	(\$11,122,924)	\$58,769,918	\$58,566,107	\$203,811
FTE	134.00	137.00	(1.00)	136.00	134.00	2.00

Department 127 - State Tax Commissioner - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Premium Increases¹	Removes New FTE Positions²	Removes Funding for New FTE Operating Expenses³	Reduces Funding for Homestead Tax Credit⁴	Reduces Funding for Disabled Veterans' Tax Credit⁵	Adds One-Time Funding for Scanners⁶
Salaries and wages	(100,886)	(235,577)				
Operating expenses			(27,461)			
Capital assets						8,000
Homestead tax credit				(10,000,000)		
Disabled veterans credit					(767,000)	
Accrued leave payments						
Total all funds	(\$100,886)	(\$235,577)	(\$27,461)	(\$10,000,000)	(\$767,000)	\$8,000
Less estimated income	0	0	0	0	0	0
General fund	(\$100,886)	(\$235,577)	(\$27,461)	(\$10,000,000)	(\$767,000)	\$8,000
FTE	0.00	(1.00)	0.00	0.00	0.00	0.00

	Total Conference Committee Changes
Salaries and wages	(336,463)
Operating expenses	(27,461)
Capital assets	8,000
Homestead tax credit	(10,000,000)
Disabled veterans credit	(767,000)
Accrued leave payments	
Total all funds	(\$11,122,924)
Less estimated income	0
General fund	(\$11,122,924)
FTE	(1.00)

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² The following funding and FTE positions are removed:

- \$124,924 from the general fund and 1 compliance officer FTE position;
- \$100,198 from the general fund related to 1 property tax specialist position;
- \$4,631 from the general fund for related salary increases; and
- \$5,824 from the general fund for related health insurance increases.

The conference committee version includes \$184,196 from the general fund and 2 FTE positions. The Senate provided \$419,773 from the general fund and 3 FTE positions. The House removed the positions and the related funding.

³ Funding is removed for operating expenses related to the new FTE positions. The Senate version provided \$47,076, and the House version removed \$47,076.

⁴ Funding is removed to continue the homestead tax credit changes made by the 2013 Legislative Assembly (\$2 million) and to expand the eligibility threshold for homestead tax credit program (\$8 million). Total funding for the homestead tax credit program is \$20 million, which is the same as the base level and House version. The Senate provided funding of \$30 million, an increase of \$10 million over the base level and the House version.

⁵ The amendment removes funding to continue the disabled veterans' tax credit changes made by the 2013 Legislative Assembly. Total funding for the disabled veterans' tax credit program is \$7,678,000, which is the same as the base level and the House version. The Senate version provided total funding of \$8,445,000 from the general fund.

⁶ One-time funding is added for scanners, which is the same as the House version. The Senate version did not include this funding.

This amendment also adds a new section to provide an exemption for the \$16,000 appropriated in the capital assets line item to the Tax Department in the 2013-15 biennium. As a result, \$40,000 will be available to the department to purchase scanners, of which \$16,000 is from carryover authority, \$16,000 is included in the department's base budget, and \$8,000 of one-time funding from the general fund is added in this amendment. The House version also included the exemption, but the Senate version did not provide an exemption.