

FISCAL NOTE

	FY 2022	FY 2023	FY 2024
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase			
SCHOOL FOUNDATION FUND (12 mills)	\$0	\$3,700,000	\$7,700,000
AD VALOREM TAX (other taxing entities)	\$0	\$7,400,000	\$14,900,000
	FY 2022	FY 2023	FY 2024
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure (decrease)			
SCHOOL FOUNDATION FUND (31 mills)	(\$0)	(\$9,600,000)	(\$19,600,000)
LEGISLATIVE STAB. RESERVE ACCT.	(\$0)	(\$13,300,000)	(\$27,300,000)

Source of revenue increase:

Increase in assessment rate for industrial property from 11.5% to 11.75% for tax year 2022, 12.0% for tax year 2023, 12.25% for tax year 2024 and 12.5% for tax year 2025 and thereafter;

Increase in assessment rate for all other property from 9.5% to 9.75% for tax year 2022, 10.0% for tax year 2023, 10.25% for tax year 2024 and 10.5% for tax year 2025 and thereafter;

Source of expenditure (decrease):

The School Foundation Program (SFP) will experience both an entitlement expenditure decrease and recapture revenue increase from the 31 mill revenue increase in K-12 local resource to school districts. The impact from the revenue increase in the 31 mills is shown above as an expenditure decrease to the SFP.

The revenue increases to the SFP and to K-12 local resource would result in a corresponding decrease in the transfer from the Legislative Stabilization Reserve Account (LSRA) to the SFP under W.S. 9-4-219(b).

Assumptions:

The above estimate is based on tax year 2020 actual assessed valuations for industrial and all other property, increased by 3% for tax year 2021 and 2% per year for tax years 2022 through 2025 as projected in the January 2021 Consensus Revenue Estimating Group (CREG) Forecast. The estimate is also based on the tax year 2020 average mill levy for non-mineral property of 66.6 mills.

The total property tax revenue increases to all entities are projected to be \$20.7 million in FY 2023, \$42.2 million in FY 2024, \$64.6 million in FY 2025 and \$87.9 million in FY 2026.

Any additional fiscal or personnel impact is not determinable due to insufficient time to complete the fiscal note process.

Prepared by: Dean Temte, LSO

Phone: 777-7881