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FISCAL IMPACT REPORT

SPONSOR: Ruiz DATE TYPED: 02/26/01 HB 718
 SHORT TITLE: Senior Property Valuation Cap Eligibility SB _____
 ANALYST: Williams

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
		No Fiscal Impact		State Government
		Fiscal Impact Vary		Local Government

(Parenthesis () Indicate Revenue Decreases)

Conflicts with HB 623 which escalates the cap with inflation.

SOURCES OF INFORMATION

LFC Files
 Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

The bill would increase the cap on the escalation of property value for single-family dwelling occupied by owners 65 years and older. The current cap applies to these taxpayers with a modified gross income of up to \$18,000, and the bill would move the income cap up to \$40,000.

Significant Issues

The provisions would not become effective until the 2002 property tax year.

FISCAL IMPLICATIONS

The measure would have no significant fiscal impact on state or local governments. Property tax rates would shift accordingly, and the tax burden would shift away from the target group to other property tax payers. The attached TRD analysis illustrates potential impacts by county.

ADMINISTRATIVE IMPLICATIONS

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No significant impacts on TRD.

AW/njw:ar