

FISCAL NOTE

SB 1623 - HB 1591

March 29, 2001

SUMMARY OF BILL: Beginning with the 2001 tax year, and thereafter:

- Exempts private act hospital authorities from the payment of any taxes or fees to the state or any subdivisions thereof, or to any officer or employee of the state or any subdivision thereof, except as hereinafter provided.
- Exempts private act hospital authorities property from all county and municipal taxes and fees.
- Provides that a private act hospital authority may agree to the payment of tax equivalents to the creating or participating governing authority or entity.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - A decrease in local government expenditures and a corresponding decrease in local government revenues, both estimated to exceed \$100,000, to the extent that a private act hospital authority would no longer be required to pay county and municipal taxes for hospital properties owned in other counties. The estimated impact would be less if the local governmental entities involved agreed to the payment of tax equivalents allowed by the bill; however, such payments are not required by the bill.

Based on information received from the Comptroller's Office, there are at least two known cases where two counties, which own hospital properties in four other counties, paid approximately \$206,000 in local tax payments.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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