

FISCAL NOTE

HB 3029 - SB 3686

February 4, 2008

SUMMARY OF BILL: Creates the “Tax-Me-More Account” for the purpose of receiving various forms of contributions from taxpayers who believe they are undertaxed and who advocate a greater tax burden for Tennesseans. Requires the Department of Finance and Administration (F&A) to promulgate rules and regulations. Requires the Department of Revenue (DOR) to modify specific tax forms for providing taxpayers with the opportunity to make such contributions. Requires the Commissioner of F&A to report annually to the Governor and the Speakers of the Senate and House of Representatives. Contributions to the Tax-Me-More Account are to be allocated for abortion prevention and alternatives to abortion.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Not Significant
Increase State Expenditures – \$78,600 / One-Time

Assumptions:

- While the bill authorizes departments to exhaust all existing forms before implementing new ones, the DOR indicates that 28 tax forms would still require redesigning in order to match up with computer modifications and software revisions that will be required. The department estimated one-time expenditures of \$1,535,000 for computer related expenditures based on an estimate of 36,600 hours to complete the work (or approximately \$41.94 per hour), the equivalent of 19.5 persons working full-time for one year. Fiscal Review Committee staff estimates the number of hours to be 1,875 (the equivalent of one person working full-time for one year or eleven persons working full-time for one month). Therefore, the increase of one-time state expenditures is estimated to be \$78,600 (1,875 man-hours x \$41.94 = \$78,638).
- Such contributions to the Tax-Me-More Account are to be allocated for abortion prevention and alternatives to abortion.
- According to the State Treasurer, this bill would not impact departmental revenue of expenditures.
- According to F&A, this bill would not require any additional resources for the department.

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- Based on contributions to the Tax-Me-More Account that was created in Arkansas, the increase of state revenue from such contributions is estimated to be not significant.

CERTIFICATION:

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

A handwritten signature in black ink that reads "James W. White". The signature is written in a cursive style with a large, sweeping initial "J".

James W. White, Executive Director

/rnc