



SB 1698 – HB 2557

February 9, 2016

SUMMARY OF ORIGINAL BILL: Authorizes a county to, upon the adoption of a resolution by a two-thirds majority vote of its legislative body, impose a privilege tax on litigation on all civil cases, except any original proceedings brought in juvenile courts, in an amount not to exceed \$25 per case. Requires any revenue collected from such tax to be used exclusively for personnel and operating costs of the circuit court.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Revenue – Up To \$7,912,500/Permissive

SUMMARY OF AMENDMENT (012207): Increases, from \$25 per case as proposed in the original bill, to \$50 per case in the bill as amended, the maximum amount of the privilege tax that a county is authorized to impose.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

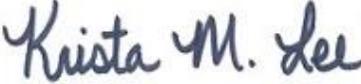
Increase Local Revenue – Up To \$15,825,000/Permissive

Assumptions for the bill as amended:

- The fiscal impact of the bill as amended is dependent upon multiple unknown factors, such as: the number of counties that will adopt a resolution to assess the proposed privilege tax; the number of civil cases in such counties that the tax would be assessed; and the dollar amount of the tax assessed in such counties.
- Any increase in local revenue pursuant to the bill as amended will be permissive.
- Based on information provided by the Department of Revenue, it is estimated that there were approximately 316,500 civil cases in FY14-15 on which the proposed tax could be assessed. This number is assumed to remain constant in subsequent years.
- The maximum permissive and recurring increase in local revenue as a result of this bill as amended is estimated to be \$15,825,000 (316,500 civil cases x \$50.00 maximum privilege tax).
- Any increase in local government expenditures for counties that adopt a resolution to assess the privilege tax is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Handwritten signature of Krista M. Lee in black ink.

Krista M. Lee, Executive Director

/bos