# FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 21, 1996

SUBJECT: **SB 2183 - HB 2790**

This bill, if enacted, will allow a single universal gift tax exclusion of $10,000 for each donee regardless of class. Current law allows a $10,000 exclusion per donee for Class A and a $3,000 exclusion per donee for Class B. The bill will affect those gifts made on or after January 1, 1997.

The fiscal impact from enactment of this bill is estimated to be a decrease in state revenues of $400,000 beginning in fiscal year 1997-98 due to the increased exclusion and resulting lower tax collection.

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