

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 701 (First Edition)

SHORT TITLE: Donations for Breast Cancer Research

SPONSOR(S): Senator Odom, et al

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>
REVENUES			No state impact		
EXPENDITURES					
General Fund	\$42,809	\$3,859	\$3,859	\$3,859	\$3,859
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Revenue, Department of State Treasurer					
EFFECTIVE DATE: Effective for taxable years beginning on or after January 1, 1997.					

BILL SUMMARY: The bill allows taxpayers to contribute all or part of their state income tax refund to breast cancer research.

ASSUMPTIONS AND METHODOLOGY: Form D-400 for the individual income tax currently has a tax refund checkoff for the N. C. Candidates Financing Fund and the N. C. Nongame and Endangered Wildlife Fund. Both these funds accept tax refund donations greater than one dollar. In 1995, the Candidates Fund received \$22,303 from 4,694 taxpayers for an average of \$4.75 per taxpayer. For Nongame Wildlife, 35,854 taxpayers gave \$366,531 in 1995 for an average donation of \$10.22. Donations peaked for the Wildlife fund in 1989 with \$479,039.

To put the number of fund donors into perspective, 2.4 million North Carolina taxpayers received state income tax refunds in 1995. Of the taxpayers receiving refunds that year, 1.5% gave to the Wildlife fund and .2% gave to the Candidates fund. With the choices available to state taxpayers now, there is clearly a reluctance to contribute tax refunds to political or charitable purposes. Without a survey of taxpayer interests, it is impossible to forecast how many North Carolinians will use this or any other checkoff.

The Department of Revenue will incur \$42,809 in expenses in FY 1997-98 due to SB 701. There will be a one-time computer programming charge of \$38,950 for the new tax checkoff. There will be an on-going cost of \$3,859 for data entry personnel in the return processing area of the Department. Since the forms are updated annually, there is no charge for reprinting or modifying Form D-400.

FISCAL RESEARCH DIVISION

733-4910

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