



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

SB0509 - Eliminate annual license tax for attorneys (Usher, Barry)

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)
Revenue:				
General Fund	(\$124,000)	(\$124,000)	(\$124,000)	(\$124,000)
Net Impact-General Fund Balance:	<u>(\$116,500)</u>	<u>(\$116,500)</u>	<u>(\$116,500)</u>	<u>(\$116,500)</u>

Description of fiscal impact: SB 509 repeals 37-61-211, MCA, which requires an attorney or counselor at law to pay a license tax of \$25.00 a year. The lack of this requirement will reduce costs to the Clerk of Court and reduce revenue to the general fund.

FISCAL ANALYSIS

Assumptions:

1. Currently the Clerk of Court pays the State Bar \$7,500 a year to facilitate the collection of the fees. With the repeal of the fees, this expense will no longer be paid.
2. Based on actual revenue collections between FY 2017 and FY 2022, annual fees collected average \$124,000. This bill would eliminate this general fund revenue funding source. It is assumed that the general fund will lose revenue in the amount of \$124,000 each fiscal year.

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<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)
TOTAL Expenditures	<u>(\$7,500)</u>	<u>(\$7,500)</u>	<u>(\$7,500)</u>	<u>(\$7,500)</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)
TOTAL Funding of Exp.	<u>(\$7,500)</u>	<u>(\$7,500)</u>	<u>(\$7,500)</u>	<u>(\$7,500)</u>
<u>Revenues:</u>				
General Fund (01)	(\$124,000)	(\$124,000)	(\$124,000)	(\$124,000)
TOTAL Revenues	<u>(\$124,000)</u>	<u>(\$124,000)</u>	<u>(\$124,000)</u>	<u>(\$124,000)</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$116,500)	(\$116,500)	(\$116,500)	(\$116,500)



 Sponsor's Initials

3/21/23

 Date



 Budget Director's Initials

3-17-23

 Date