

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2015 REGULAR SESSION**

**MEASURE**

2015 BR NUMBER **1471**

**HOUSE** BILL NUMBER **328**

RESOLUTION NUMBER \_\_\_\_\_

AMENDMENT NUMBER \_\_\_\_\_

**SUBJECT/TITLE** **An ACT relating to the tax credit for entities participating in the Metropolitan College.**

**SPONSOR** **Representative Clark**

**NOTE SUMMARY**

FISCAL ANALYSIS:  IMPACT     NO IMPACT     INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT:  STATE     LOCAL     FEDERAL

BUDGET UNIT(S) IMPACT: \_\_\_\_\_

FUND(S) IMPACT:  GENERAL  ROAD  FEDERAL  RESTRICTED AGENCY \_\_\_\_\_  OTHER

**FISCAL SUMMARY**

<b>FISCAL ESTIMATES</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>			(\$4,000,000)
<b>EXPENDITURES</b>			
<b>NET EFFECT</b>			(\$4,000,000)

( ) indicates a decrease/negative

**MEASURE'S PURPOSE:** The purpose of the proposal is to permanently extend the income tax credit for expenses of students participating in the Metropolitan College.

**PROVISIONS/MECHANICS:** Currently, the Metropolitan College tax credit expires on April 15, 2017. The proposal eliminates the expiration date, making the tax credit permanent.

**FISCAL EXPLANATION:** For the fiscal year 2012-2013, the Metropolitan College tax credit reduced General Fund dollars by approximately \$3.0 million. It is anticipated that growth in the tax credit program will occur based on increases in tuition and other educational expenses paid on behalf of a student participating in the Metropolitan College. In 2017, when the tax credit is set to expire, the tax expenditure is estimated to be \$4.0 million.

**DATA SOURCE(S):** **LRC Staff; Bluegrass State Skills Annual Report**

**PREPARER:** **Jennifer Hays** **NOTE NUMBER:** **21** **REVIEW:** **GMR** **DATE:** **2/12/2015**

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