



FISCAL NOTE

Senate Bill 102

Committee: Finance and Taxation Education Sponsor: Senator Arthur Orr

Analyst: Tiffany Weaver

Date: 04/26/2023

Senate Bill 102 as introduced could reduce income tax receipts to the Education Trust Fund by an estimated \$1.7 million for Fiscal Year 2024 and by an estimated \$2.3 million for each fiscal year thereafter due to the increase in employees and employers that may claim the existing tax deduction for health insurance premiums, as provided by this bill. However, this bill further provides that the tax credits allowed shall be capped at \$5 million annually and shall be allowed through December 31, 2028, unless extended by an act of the Legislature.

Pursuant to the provisions of the ETF Rolling Reserve Act contained in Section 29-9-3(b)(3), Code of Alabama 1975, the provisions of this act would reduce the ETF fiscal year appropriation cap for fiscal year 2024 by \$1.7 million.