



**Fiscal Estimate Narratives**

**DFI 1/25/02**

LRB Number 01-4099/2	Introduction Number SB-385	Estimate Type Original
<b>Subject</b> Corporate filing fees		

**Assumptions Used in Arriving at Fiscal Estimate**

The reduction of the filing fee for domestic annual reports filed on paper from \$40 to \$25 will reduce annual revenue by approximately \$561,700. This is based on 86,438 domestic corporation annual reports distributed. Consistent with CY 2001 experience, approximately 37,448 (43%) will pay the paper-filing fee. The \$15 reduction multiplied by the number of paper filers is \$561,700. The remaining filers will pay the \$25 on-line fee.

Without the fee differential, a segment of filers who last year filed on-line will likely select to file on paper. It is estimated that the number of on-line filers will be reduced by about half. This would increase the workload in the Corporations Bureau. The introduction of on-line annual reports has enabled the Corporations Bureau to reduce overtime and the use of Limited Term Employee's (LTE's) without affecting service in other areas, such as the processing of charter documents. In fiscal year 2001, the Corporations Bureau spent over \$64,000 on LTE's and \$90,000 on overtime in the processing of paper documents.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>01-4099/2</b>		Introduction Number <b>SB-385</b>	
<b>Subject</b>			
Corporate filing fees			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes (FTE Position Changes)	\$		
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS		-561,700	
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-561,700</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	State	Local	
NET CHANGE IN COSTS	\$	\$	
NET CHANGE IN REVENUE	\$-561,700	\$	
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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