

FISCAL NOTE

May 16, 2022

Bill No:	SB 368	Printer's No:	362	Sponsor:	Bartolotta (R)
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COST / (SAVINGS)

Fund (s)	2021-22	2022-23
General Fund	\$388.8 million	\$2.7 million

SUMMARY: This bill amends the Tax Reform Code, in personal income tax, providing for small businesses.

ANALYSIS: SB 368 allows small businesses to take a net loss against other sources of income; carry forward net operating losses for a period of 20 years; and carry back losses to previous tax years on a temporary basis.

FISCAL IMPACT: This bill has a fiscal impact of \$388.8 million in FY 2021-22 and \$2.7 million in FY 2022-23 in reduced PIT revenue in addition to costs for back-end DOR system changes.

Fiscal Year	Total	Annual	Estimated	Refunds
2021-22	\$388.8 million	\$1.5 million	\$2.2 million	\$385.2 million
2022-23	\$2.7 million	\$0.8 million	\$0.9 million	\$0.9 million
2023-24	\$1.7 million	\$0.5 million	\$0.7 million	\$0.6 million
2024-25	\$1.3 million	\$0.4 million	\$0.5 million	\$0.4 million
2025-26	\$1.0 million	\$0.3 million	\$0.4 million	\$0.3 million