

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 459 (Delegates Gordon and Bozman)
Ways and Means

State Lottery - Prizes - Lump Sum Payment

This bill provides that lottery players may choose, at the time of purchase, to receive any winnings over \$250,000 in a lump sum payment of the present cash value of the prize rather than an annuity. Such an election is irrevocable.

Fiscal Summary

State Effect: None. The Lottery Agency currently pays prizes in annuities if the 20-year annuitization of the prize results in annual payments of at least \$15,000. The cost of the annuity is approximately the current cash value, so there would be no effect on prize payouts. Revenues would not be affected.

Local Effect: None.

Small Business Effect: None. This bill would not directly affect small businesses.

Information Source(s): Maryland State Lottery Agency, Department of Fiscal Services

Fiscal Note History: First Reader - February 18, 1997
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