LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House
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FISCAL IMPACT STATEMENT

LS 7066 | **DATE PREPARED:** Jan 4, 1999
BILL NUMBER: HB 1793 | **BILL AMENDED:**

SUBJECT: Sales tax exemption.

FISCAL ANALYST: Jim Mundt
PHONE NUMBER: 232-9858

FUNDS AFFECTED: X **GENERAL**
X **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: This bill exempts from the State Gross Retail Tax items purchased from an individual who is at least 65 years of age if the purchase is at a fair, festival, bazaar, or flea market.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues: This bill will reduce revenue from the State Gross Retail Tax (Sales Tax) by an indeterminable amount. Data is not available to make a specific estimate. The amount is believed to be small, however, should some retailers choose to classify an existing business as a "fair, festival, bazaar, or flea market", and choose not to collect sales tax from individuals age 65 or older, the amount could increase.

Gross Retail (Sales) and Use Taxes are deposited in the State General Fund (59.2%), the Property Tax Replacement Fund (40%), the Public Mass Transportation Fund (0.76%), and the Industrial Rail Service Loan Fund (0.04%).

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of State Revenue

Local Agencies Affected:

Information Sources: Department of State Revenue, Tom Conley, 232-2107.