

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6178**

**BILL NUMBER:** HB 1263

**NOTE PREPARED:** Nov 17, 2008

**BILL AMENDED:**

**SUBJECT:** Martinsville Food and Beverage Tax.

**FIRST AUTHOR:** Rep. Foley

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

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

**IMPACT:** Local

**Summary of Legislation:** The bill allows the city of Martinsville to continue after December 31, 2015, to initiate projects funded by food and beverage tax revenues.

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The bill could lead to new projects initiated with food and beverage tax revenue after the sunset date (December 31, 2015).

**Background:** The projects currently authorized to be funded by food and beverage tax revenue include the following: city hall renovations; construction of new police/fire stations; improvements to sewers, wastewater treatment facilities, storm water drainage systems; and certain other projects involving Martinsville's water system.

**Explanation of Local Revenues:** The bill would have no effect on revenues collected by the tax.

**Background:** P.L.214-2005 allowed Martinsville to establish a food and beverage tax. Revenue totaled \$232,191 in FY 2006, \$301,482 in FY 2007, and \$304,466 in FY 2008.

**State Agencies Affected:**

**Local Agencies Affected:** City of Martinsville.

**Information Sources:** *Indiana Handbook of Taxes, Revenues, and Appropriations* FY 2006, FY 2007, FY 2008 (forthcoming).

**Fiscal Analyst:** Chris Baker, 317-232-9851.