

# FISCAL NOTE

## HB 971 - SB 1232

March 29, 1999

**SUMMARY OF BILL:** Exempts all food and necessities, except alcoholic beverages and tobacco, purchased at retail for home consumption from sales tax.

### ESTIMATED FISCAL IMPACT:

**Decrease State Revenues - Exceeds \$408,000,000**

**Increase State Expenditures - \$82,000 One-Time**

**Decrease Local Govt. Revenues - Exceeds \$153,000,000**

Estimate assumes:

- Food and necessities sales exceed \$6,811,000,000.
- Sales tax rate of 8.25% of which 6.00% is state portion and 2.25% is local portion.
- A one-time increase in state expenditures for MIS system implementation costs.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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