

# FISCAL NOTE

## HB 3023 - SB 3099

February 22, 2002

**SUMMARY OF BILL:** Increases the maximum allowable local option sales tax rate from 2.75% to 3.5%.

### ESTIMATED FISCAL IMPACT:

#### **Increase Local Govt. Revenues - Exceeds \$50,000,000/Permissive**

Estimate assumes several city and county governments may raise their local option sales tax as a result of raising the cap from 2.75% to 3.5%.

For informational purposes:

- For those cities and counties currently levying a 2.75% local sales tax, sales tax collections totaled \$203,000,000 for FY 00-01.
- If all 145 of these local governments adopted a 3.5% local option sales tax rate, local sales tax collections would be \$258,000,000, an increase of \$55,000,000.

### 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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