

# FISCAL NOTE

## HB 2517

January 31, 2006

### SUMMARY OF BILL:

- Adds “textbooks with a sales price of \$100 or less per item” to the list of items that will be exempt from sales and use tax during the annual Sales Tax Holiday.
- Removes textbooks from the definition of “school instructional material” as it applies to the annual Sales Tax Holiday.

### ESTIMATED FISCAL IMPACT:

#### MINIMAL

#### Assumptions:

- Public Chapter 398 of 2005 enacted the Sales Tax Holiday which begins at 12:01 a.m. on the first Friday of each August and ends at 11:59 p.m. the following Sunday.
- This proposed legislation addresses a perceived oversight in the original legislation.
- The original legislation provided an exception to the sales tax holiday for school instructional materials, including textbooks and workbooks.
- T.C.A. 67-6-329 specifically exempts textbooks and workbooks from sales and use tax with or without the Sales Tax Holiday.

### CERTIFICATION:

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



James W. White, Executive Director