TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE

FISCAL NOTE

HB 1372 - SB 1255

February 22, 2017

SUMMARY OF BILL: Urges the Department of Revenue to study the formulas used in the states contiguous to Tennessee to determine the apportionment of net worth and net earnings for purposes of calculating a taxpayer's franchise and excise (F&E) tax liability. Requires the Department, if such study is conducted, to report its findings and recommendations to the Finance, Ways and Means committees of the General Assembly by February 1, 2018.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The Department will conduct the study on F&E apportionment formulas used in states contiguous to Tennessee.
- The study will be conducted by the Department's existing staff during regular work-hours. Any increase in state expenditures will be not significant and can be accommodated within existing resources without an increased appropriation or a reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista M. Lee

Krista M. Lee, Executive Director

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