

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 931 - SB 787**

February 11, 2019

**SUMMARY OF BILL:** Delays, from July 1, 2019, until July 1, 2021, the implementation date of certain streamlined sales tax provisions.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- The effective date of the streamlined sales tax agreement provisions has been historically extended by two years since the original enactment of Public Chapter 357 of the Public Acts of 2003 and the subsequent revision of the agreement by Public Chapter 959 of the Public Acts of 2004.
- The most recent extensions took place ten years ago, with Public Chapter 530 of the Public Acts of 2009, eight years ago, with Public Chapter 72 of the Public Acts of 2011, six years ago, with Public Chapter 480 of the Public Acts of 2013, four years ago, with Public Chapter 273 of the Public Acts of 2015, and two years ago, with Public Chapter 193 of the Public Acts of 2017.
- Extending the effective date of the streamlined sales tax agreement provisions by two years postpones the fiscal impact originally estimated for the agreement (adjusted for subsequent tax changes, economic growth, and inflation), resulting in a significant fiscal impact on the state and local government that consists of unknown amounts of forgone revenue and cost avoidances for implementation. However, any impact on the current budgetary levels is estimated to be not significant.

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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