

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 429** HLS 20RS 487

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 4, 2020	8:26 AM	<b>Author:</b> MAGEE
<b>Dept./Agy.:</b> Revenue		<b>Analyst:</b> Benjamin Vincent
<b>Subject:</b> Collection of Local Sales & Use Taxes		

TAX/SALES & USE (LOCAL) OR SEE FISC NOTE SG EX Page 1 of 1  
(Constitutional Amendment) Authorizes a commission for remote sellers to remit local sales and use taxes to local tax collectors

Proposed constitutional amendment authorizes a commission for remote sellers to remit local sales and use taxes, owed by and on behalf of any dealer, to local collectors as defined in statute.

Companion legislation (HB 791) amends statute to similar effect. Companion legislation additionally provides for funding to the commission via retention of a portion of collections, and that political subdivisions would maintain the exclusive right to conduct audits.

Proposed amendment would be submitted for a popular vote at the statewide election to be held on November 3, 2020.

<b>EXPENDITURES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW					
<b>Annual Total</b>						

  

<b>REVENUES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW					
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of proposed constitutional amendment authorizing remittance of local sales tax by a commission on remote sellers. However, implementation of statutory changes included in companion legislation (HB 791) could alter the costs of collections borne by the state and by political subdivisions.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of proposed constitutional amendment authorizing remittance by a commission on remote sellers. However, statutory changes included in companion legislation (HB 791) could impact state self-generated revenues and local funds.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Gregory V. Albrecht**  
**Chief Economist**