

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 468** HLS 13RS 101
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 17, 2013 7:14 PM	Author: BARRAS
Dept./Agy.: Revenue	Analyst: Deborah Vivien
Subject: Sales tax holiday on LA manufactured guns and ammunition	

TAX/SALES-USE-EXEMPT OR DECREASE GF RV See Note Page 1 of 1
 Authorizes purchases of certain custom items to be eligible for the Annual Louisiana Second Amendment Weekend Holiday under certain circumstances

Current law allows a three day state and local sales tax holiday on the first weekend of September for sales of firearms, ammunition and hunting equipment sold in Louisiana , also called the Second Amendment Weekend Holiday. Custom orders are eligible for the exemption if full payment is made during the holiday for immediate shipment.

Proposed law retains current law and allows the full price of the custom-made items to qualify for the exemption if 25% of payment is made during the holiday and the item ships within 120 days of the end of the holiday.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

The current Second Amendment sales tax holiday has resulted in a reduction in state sales tax receipts of about \$600,000 per year, for the last two years, presumably about that same amount to local funds, according to the Department of Revenue. The bill expands the tax holiday by allowing smaller deposits to qualify a purchases for the tax exemption. While this can only increase the total amount of tax loss from this holiday, it is likely that only a minimal amount of additional purchases will be made eligible.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	

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