

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HCR 15** HLS 15RS 1307

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 1, 2015	4:54 PM	Author: MONTOUCET
Dept./Agy.: Revenue		Analyst: Deborah Vivien
Subject: Suspends Sales Tax Holidays for 1 year		

TAX/SALES & USE

EG +\$4,300,000 GF RV See Note

Page 1 of 1

Suspends annual state sales tax holidays until 60 days after adjournment of the 2016 Regular Session of the Legislature

Current law allows a sales tax holiday for general purchases (2 days on first consecutive Friday and Saturday of August up to \$2,500 in purchases excluding vehicles and meals on premises), 2nd amendment (3 days on first Friday-Sunday of September for firearms, ammunition and hunting supplies, no spending limit), and hurricane preparedness (2 days on last Saturday and Sunday in May up to \$1,500 in purchases of hurricane preparedness items).

Proposed law suspends all 3 sales tax holidays during FY 16.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$4,300,000	\$0	\$0	\$0	\$0	\$4,300,000
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$4,300,000	\$0	\$0	\$0	\$0	\$4,300,000

EXPENDITURE EXPLANATION

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

REVENUE EXPLANATION

The bill is expected to increase SGF revenue by about \$4.2M in FY 16, according to the estimate in the Tax Exemption Budget of the value of the exemption from sales tax due to the 3 holidays. Below are the estimates of the exemptions due to the holidays:

General Sales Tax Holiday	\$3,556,463
2nd Amendment Sales Tax Holiday	597,485
<u>Hurricane Preparedness Sales Tax Holiday</u>	<u>113,807</u>
All Sales Tax Holidays	\$4,267,755

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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