

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



Fiscal Note On: **HB 978** HLS 16RS 1744

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 12, 2016 6:27 PM	<b>Author:</b> DANAHAHAY
<b>Dept./Agy.:</b> Civil Service/Board of Tax Appeals	<b>Analyst:</b> Deborah Vivien
<b>Subject:</b> Increases the amount of use tax sent to BTA	

**TAX/TAXATION**

EG -\$32,000 LF RV See Note

Page 1 of 1

Provides for administration, disposition, enforcement, and adjudication of state and local taxes under the jurisdiction of the Board of Tax Appeals

Current law directs the Treasurer to send to the Board of Tax Appeals certain amounts of the consumer use distribution for local government prior to sending it to the taxing jurisdictions. The transfer will only take place if consumer use tax distributions are in excess of the amount distributed in FY 14.

Proposed law increases the amount transferred from the local consumer use tax distribution to the Board of Tax Appeals by \$32,000 on July 1, 2016. The provision requiring use tax distributions to be in excess of the FY 14 level to effectuate the transfer to the Board of Tax Appeals is removed. Certain other procedural components related to local sales tax cases at the Board of Tax Appeals are modified by the bill.

<b>EXPENDITURES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	<b>\$160,000</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>(\$32,000)</u>	<u>(\$32,000)</u>	<u>(\$32,000)</u>	<u>(\$32,000)</u>	<u>(\$32,000)</u>	<b>(\$160,000)</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. According to the Board of Tax Appeals, the procedural components are codifications of current practice.

**REVENUE EXPLANATION**

The annual transfer from the local distribution of consumer use tax collections to the Board of Tax Appeals will increase by \$32,000 per year beginning in FY 17. This directive will decrease the amount of funds distributed to locals and increase the amount transferred to the Board of Tax Appeals.

Senate Dual Referral Rules House

- |   |  |
|---|--|
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & 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} |

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