

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 182** HLS 13RS 668

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 1, 2013	8:51 AM	Author: ANDERS
Dept./Agy.: Agriculture		Analyst: Deborah Vivien
Subject: Changes the rule requirement from directive to permissive		

TAX/SALES & USE OR NO IMPACT GF RV See Note Page 1 of 1
 Provides relative to the promulgation of guidelines for determining the definition of "sale at retail" for purposes of the exemption from the sales and use tax for certain agricultural commodities utilized in preparing crops or animals for market

Current law provides a sales tax exemption for retail sales of certain raw agricultural commodities utilized in preparing, finishing, manufacturing or producing crops or livestock for market. The Department of Agriculture is directed to promulgate rules outlining who meets this definition and provide a certificate indicating that such person is eligible.

Proposed law makes permissive the requirement that the Department of Agriculture promulgate rules providing guidelines for the qualification for the exemption

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.	\$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

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. According to Revenue Department and the Department of Agriculture, these rules were never promulgated. Certification of eligibility is declared at the point of sale, and this practice is expected to continue.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The bill does not change the qualifications or the exemption.

- | | | |
|---|----------------------------|--|
| <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} |

Gregory V. Albrecht
Chief Economist