
Fiscal Note
Bill Number SB0203**Sales and Use Tax and Income Tax Revisions**

22-Feb-00

11:58 AM

Passage of this bill would decrease the General Fund by \$14,280,000 in FY 2001 and by \$59,480,000 in FY 2002. After full implementation the General Fund loss would be approximately \$152,800,000. There is a corresponding increase in the Uniform School Fund which would offset the loss of General Fund in each of the fiscal years. The Tax Commission would require an appropriation of \$393,000 in FY 2001 and an appropriation of \$15,000 in FY 2002 to implement the provisions of this bill.

	<u>FY 01 Approp.</u>	<u>FY 02 Approp.</u>	<u>FY 01 Revenue</u>	<u>FY 02 Revenue</u>
General Fund	\$189,000	\$7,500	(\$14,280,000)	(\$59,480,000)
Uniform School Fund	\$15,000	\$0	\$14,280,000	\$59,480,000
Sales Tax Admin. Fee	\$189,000	\$7,500	\$0	\$0
TOTAL	<u>\$393,000</u>	<u>\$15,000</u>	<u>\$0</u>	<u>\$0</u>

Individual and Business Impact

Passage of this bill will decrease the sales tax paid by individual. A typical family of four would save approximately \$400 annually by the time it is fully implemented. Income taxes on those individuals or families with incomes in higher brackets would see their income taxes increase. A single taxpayer making \$50,000 would see an increase in state income tax of \$374 by the time the bill is fully implemented (11% increase). A couple filing jointly with an income of \$100,000 would see an increase of \$750 over the same period (11% increase). A single taxpayer with an income of \$25,000 would see no change. Neither would a couple filing jointly with an income of \$50,000.

Office of the Legislative Fiscal Analyst