

March 22, 2011

The Honorable Richard Carlson, Chairperson  
House Committee on Taxation  
Statehouse, Room 274-W  
Topeka, Kansas 66612

Dear Representative Carlson:

SUBJECT: Fiscal Note for HB 2378 by House Committee on Taxation

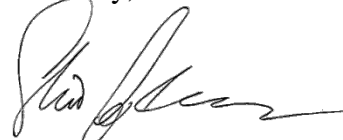
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2378 is respectfully submitted to your committee.

HB 2378 would allow counties to enact a countywide 0.5 percent retail sales tax for the purpose of providing community children's services. The bill would allow a county commission to place the sales tax proposal on the ballot to be approved by the voters. The bill would raise the total county sales tax allowed by 0.5 percentage points. All revenues from the retail sales tax would be retained by the county and deposited in the Community Children's Service Fund. The bill defines the types of programs that can use the tax revenues and would also require that a board of directors be created for administering the tax proceeds.

Estimated State Fiscal Effect				
	FY 2011 SGF	FY 2011 All Funds	FY 2012 SGF	FY 2012 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$1,050	\$1,050
FTE Pos.	--	--	--	--

The Department of Revenue indicates HB 2378 would have no fiscal effect on state revenues. The Department indicates the bill would affect sales tax collections only in counties that choose to enact the additional sales tax authority for community children's services. The Department indicates the bill would require \$1,050 from the State General Fund in FY 2012 for administrative costs to implement the bill and to revise sales tax publications. Any fiscal effect associated with HB 2378 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Steve Neske, Revenue  
Larry Baer, League of Municipalities  
Melissa Wangemann, Kansas Association of Counties