

January 28, 2014

The Honorable Richard Carlson, Chairperson  
House Committee on Taxation  
Statehouse, Room 185-N  
Topeka, Kansas 66612

Dear Representative Carlson:

SUBJECT: Fiscal Note for HB 2481 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2481 is respectfully submitted to your committee.

HB 2481 would provide a sales tax exemption for the Assistance League of Wichita, for the purpose of providing services to members of the community through the provision of philanthropic projects. The bill would exempt from sales tax all sales and purchases of tangible personal property and services made by or on behalf of the Assistance League of Wichita.

Estimated State Fiscal Effect				
	FY 2014 SGF	FY 2014 All Funds	FY 2015 SGF	FY 2015 All Funds
Revenue	--	--	(\$11,610)	(\$14,000)
Expenditure	--	--	\$1,000	\$1,000
FTE Pos.	--	--	--	--

The Department of Revenue estimates that HB 2481 would decrease state revenues by \$14,000 in FY 2015. Of that total, the State General Fund is estimated to decrease by \$11,610, while the State Highway Fund is estimated to decrease by \$2,390 in FY 2015. The fiscal effect to state revenues during subsequent years is estimated to remain at or slightly above the \$14,000 amount. The bill is also estimated to have a negligible reduction to local sales tax revenues in FY 2015 and each future fiscal year; however, the precise amount was not estimated.

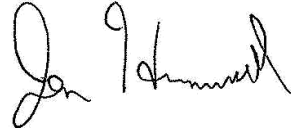
The Honorable Richard Carlson, Chairperson

January 28, 2014

Page 2—HB 2481

According to the Department of Revenue, reissuing sales tax publications and issuing the tax entity exemption certificate would cost \$1,000. Any fiscal effect associated with HB 2481 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Hummell". The signature is written in a cursive style with a large initial "J" and "H".

Jon Hummell,  
Interim Director of the Budget

cc: Steve Neske, Department of Revenue  
Ben Cleeves, Transportation  
Melissa Wangemann, Association of Counties  
Larry Baer, League of Municipalities