

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2016 REGULAR SESSION**

MEASURE

2016 BR NUMBER 1147

HOUSE BILL NUMBER 234

RESOLUTION NUMBER _____

AMENDMENT NUMBER _____

SUBJECT/TITLE An ACT relating to sales and use tax.

SPONSOR Representative Heath

NOTE SUMMARY

FISCAL ANALYSIS: IMPACT NO IMPACT INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT: STATE LOCAL FEDERAL

BUDGET UNIT(S) IMPACT: _____

FUND(S) IMPACT: GENERAL ROAD FEDERAL RESTRICTED AGENCY _____ OTHER

FISCAL SUMMARY

FISCAL ESTIMATES	2015-2016	2016-2017	2017-2018	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		Less than (1,000,000)	Less than (1,000,000)	Less than (1,000,000)
EXPENDITURES				
NET EFFECT		Less than (1,000,000)	Less than (1,000,000)	Less than (1,000,000)

() indicates a decrease/negative

MEASURE'S PURPOSE: This proposal, if enacted, would exempt from sales and use tax sale or purchase of bedding materials used in the removal of poultry and livestock manure within the confines of an on-farm poultry or on-farm livestock facility for a period of four years beginning August 1, 2016. This exemption does not apply to equine.

PROVISIONS/MECHANICS: Amends KRS 139.480 to exempt from sales and use tax exempt poultry or livestock bedding materials purchased on and after August 1, 2016, but before July 31, 2020, to facilitate the removal of poultry and livestock manure within the confines of an on-farm poultry or on-farm livestock facility; EFFECTIVE August 1, 2016.

FISCAL EXPLANATION: This proposal, if enacted, would have a negative impact to the General Fund of less than (\$1,000,000) for FY 2016-2107 and FY 2017-2018. There is no fiscal impact in FY 2015-2016 due to the delayed effective date of August 1, 2016.

DATA SOURCE(S): 2014 Kentucky Agricultural Statistics Annual Report, Perry Nutt, staff economist

PREPARER: Charlotte T. Quarles **NOTE NUMBER:** 53 **REVIEW:** JRS **DATE:** 1/29/2016