

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2017 REGULAR SESSION**

MEASURE

2017 BR NUMBER 1543

HOUSE BILL NUMBER 362

RESOLUTION NUMBER _____

AMENDMENT NUMBER _____

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

SPONSOR Representative D. Johnson

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	2016-2017	2017-2018	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		(\$23,000,000)	(\$23,000,000)
EXPENDITURES			
NET EFFECT		(\$23,000,000)	(\$23,000,000)

() indicates a decrease/negative

MEASURE'S PURPOSE: The purpose of this bill is to increase the maximum amount of compensation that a seller may deduct from each sales and use tax return when timely paying the sales and use tax due. Currently the most that the seller may deduct from each return is \$50. This proposal increases that amount to \$1,500.

PROVISIONS/MECHANICS: Amends KRS 139.570 to increase the maximum amount of compensation that a seller shall deduct from each sales and use return from \$50 to \$1,500 for timely remitting the sales and use tax to the Department of Revenue; effective July 1, 2017.

FISCAL EXPLANATION: If this bill is enacted, it is estimated that there will be a negative impact to the general fund beginning in FY 2017-2019 of approximately (\$23 million).

DATA SOURCE(S): Department of Revenue

PREPARER: Charlotte T. Quarles **NOTE NUMBER:** 70 **REVIEW:** JRS **DATE:** 2/22/2017

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