

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2018 REGULAR SESSION**

**MEASURE**

2018 BR NUMBER **2024**

**HOUSE** BILL NUMBER **520**

RESOLUTION NUMBER \_\_\_\_\_

AMENDMENT NUMBER \_\_\_\_\_

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

**SPONSOR** **Representative Diane St. Onge**

**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**

<b>FISCAL ESTIMATES</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>		(\$900,000)	(\$910,000)	
<b>EXPENDITURES</b>				
<b>NET EFFECT</b>		(\$900,000)	(\$910,000)	

( ) indicates a decrease/negative

**MEASURE'S PURPOSE:** The purpose of this legislation is to exempt from sales and use tax charitable gaming supplies and equipment purchased by a charitable organization on or after July 1, 2018, but before July 1, 2022.

**PROVISIONS/MECHANICS:** Section 1 amends KRS 139.480 to exempt charitable gaming supplies and equipment from sales and use tax. Sections 2 to 8 amend various sections of KRS Chapters 131 and 141 to make technical corrections and establish reporting requirements.

**FISCAL EXPLANATION:** Based upon the information contained in recent annual reports from the Kentucky Department of Charitable Gaming, it is estimated that this legislation, if enacted, will have a negative impact to the General Fund of approximately (\$900,000) in fiscal year 2018-2019 and the negative impact to the General Fund will increase slightly for each fiscal year thereafter.

**DATA SOURCE(S):** **Kentucky Department of Charitable Gaming Annual Reports**

**PREPARER:** **Jennifer Hays** **NOTE NUMBER:** **138** **REVIEW:** **JAB** **DATE:** **3/3/2018**

LRC 2018-BR2024-HB520