

Department of Finance and Administration

Legislative Impact Statement

Bill: SB166

Bill Subtitle: TO CREATE A SALES TAX EXEMPTION FOR THE DISABLED AMERICAN VETERANS ORGANIZATION.

Basic Change :

Sponsor: Senator Rapert

SB166 would amend § 26-52-401 to exempt sales of tangible personal property or services to the Disabled American Veterans Organizations. The act would be effective on the first day of the calendar quarter following the effective date of this act.

Revenue Impact :

FY18 Tax Decrease

Total Impact to State Revenues - \$6,667

[Impact estimate based on information supplied by the Disabled American Veterans organization --- 8 Months of Reduced Sales Tax Collections During FY2018 ---10/1/2017 Effective Date]

-\$4,312 ---State General Revenue (4.5%)
-\$ 869 ---Educational Adequacy (.875% tax)
-\$ 496 ---Property Tax Relief Trust Fund (.5%)
-\$ 124 ---Conservation Tax (.125%)
-\$ 496 ---Highway Fund (.5%)
-\$ 0 ---Educational Excellence Trust Fund
-\$ 0 ---Educational Adequacy (GR transfer)
-\$ 147 ---State Central Services
-\$ 67 ---Constitutional Officers
Total Impact to City and County Sales Tax -\$2,300

FY19 Tax Decrease

Total Impact to State Revenues - \$10,000

-\$ 6,014 ---State General Revenue (4.5%)
-\$ 1,303 ---Educational Adequacy (.875% tax)
-\$ 745 ---Property Tax Relief Trust Fund (.5%)
-\$ 186 ---Conservation Tax (.125%)
-\$ 745 ---Highway Fund (.5%)
-\$ 632 ---Educational Excellence Trust Fund
-\$ 56 ---Educational Adequacy (GR transfer)
-\$ 220 ---State Central Services
-\$ 100 ---Constitutional Officers
Total Impact to City and County Sales Tax -\$3,450

Taxpayer Impact :

The Disabled American Veterans Organization and its chapters would be exempt from sales and use tax on purchases made by the Organization.

Resources Required :

None.

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Time Required :

Adequate time is provided for implementation.

Procedural Changes :

None.

Other Comments :

None.

Legal Analysis :

None.