

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1627

Bill Subtitle: TO CLARIFY THAT MEMBERSHIP DUES PAID TO HUNTING OR FISHING CLUBS ARE EXEMPT FROM SALES TAX.

Basic Change :

Sponsors: Reps. J. Moore, McCollum, Beaty Jr., McKenzie, Wardlaw, K. Brown, John Carr, Cavanaugh, Haak, Hollowell, Jean, Lundstrum, Lynch, Mayberry, McGrew, Rye, Warren, Andrews, M. Brown, Gramlich, Milligan, Puryear, Richmond, Furman, and Gonzales

Sens. Hill, Hester, Dees, Gilmore, Dotson, Flippo, B. Johnson, M. Johnson, McKee, Payton, Penzo, Rice, Stone, Stubblefield, and Wallace

HB1627 amends § 26-52-301(5) and (6) to clarify that membership dues paid to a hunting or fishing club that are paid to obtain access to land for the primary purpose of hunting or fishing are excluded from the tax levied upon the gross receipts derived from sales of the following:

- Tickets or admissions to a place of amusement or to athletic, entertainment, or recreational events;
- Fees for access to or the use of amusement, entertainment, athletic, or recreational facilities;
- Dues and membership fees paid to health spas, health clubs, and fitness clubs; and
- Dues and membership fees to private clubs holding a permit from the Alcoholic Beverage Control Board.

HB1627 is effective on the first day of the calendar quarter following the effective date of the act.

Revenue Impact :

None.

Taxpayer Impact :

None.

Resources Required :

None.

Time Required :

Adequate time is provided for implementation.

Procedural Changes :

Updates to the sales tax rules will be promulgated as well as modifications to States tax database.

Other Comments :

None.

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1627

Bill Subtitle: TO CLARIFY THAT MEMBERSHIP DUES PAID TO HUNTING OR FISHING CLUBS ARE EXEMPT FROM SALES TAX.

Legal Analysis :

Under HB1627, dues paid to a hunting or fishing club for access to land for the purpose of hunting or fishing would continue to be exempt from sales tax. A hunting or fishing club's sale or lease of goods or services subject to the gross receipts tax or special excise taxes would continue to be taxable.