

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

House Bill 637

(list bill or resolution and number, if available, or subject)

Amendment to: \_\_\_\_\_

(list bill or resolution and number)

REQUESTED BY: Leg. Research Comm.

DATE OF RECEIPT

1/22

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In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed attach a supplementary sheet. Please type.

It was estimated in 1963, when enacted, that the 2½% sales tax on services would produce at least \$1,125,000 new revenue annually. It appears from a comparison of the 1963 collections to 1964 collections, that the 2½% tax on services probably produces at least \$1,500,000 annually. If the 2½% tax on services is repealed by this bill, it therefore seems likely that the loss to the state general fund will be about \$3,000,000 per biennium, although no completely accurate statistics are available to prove this projection.

Date of preparation: 2/1/65

Signed State Tax Department

By

Kenneth H. Jones