

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

SENATE BILL NO. 8

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

Amendment to: _____
(list bill or resolution and number)

REQUESTED BY: LRC DATE OF RECEIPT JUNE 14 19 65

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.

SEE ATTACHED SCHEDULE

Date of preparation: JUNE 15, 1965

Signed STATE TAX DEPARTMENT

By

James H. Baker
Director of Research
and Development

FISCAL NOTE TO S. B. 8
SPECIAL SESSION JUNE 14, 1965

Senate Bill 8 as introduced provides for a 2½% sales tax on the same broadened base that was enacted by the 1963 legislature and which became effective on July 1, 1963.

Section 26 of the Bill provides for conditions which could cause it to terminate on October 21, 1965, the 30th day after the special election date of September 21, 1965, that has been set by the Governor. Section 26 also provides that it shall terminate on July 1, 1967, if it does not terminate sooner.

Senate Bill 8 as introduced also includes several sales tax changes made by the 1965 regular session that are not included in House Bill 698 which has been referred. Those changes are primarily technical in nature and will have only a very small and insignificant effect on the amount of sales tax revenues.

Senate Bill 8, by its own terms, could be effective for only the nearly 4 month period of July 1, 1965, to October 21, 1965, or for the two year period of July 1, 1965, to July 1, 1967.

Rather than estimate the probable income from it, I have set out below a schedule of actual collections of the 2½% sales and use tax on the same base for similar quarter year periods and for fiscal year ended June 30, 1964 and for calendar year 1964.

It should be noted that:

- (1) These collection figures include all collections of sales and use taxes during the particular period, that is, by far the greatest part is from returns for sales in the preceding period, and the collection figures also

include all amounts, including penalties, collected from other preceding periods.

- (2) On the other hand, the collection figures do not include any unpaid amount still due from the preceding or any previous reporting period.

These two factors have an offsetting effect on each other and are of a recurring nature. It is not considered that they have any significant effect on the total amount of liability for a particular period as compared to the actual collections in that period.

1971-07-01*

1971-07-01
1971-07-01

SCHEDULE OF SALES AND USE TAX COLLECTIONS

QUARTER YEAR COLLECTIONS:

1. Collections during October, November and December, 1963, covering sales and use tax returns filed for the quarter year ended September 30, 1963, and including all collections of delinquent tax and penalties for preceding quarter periods..... \$ 5,932,478.13
2. Collections during January, February and March, 1964, covering sales and use tax returns filed for the quarter year ended December 31, 1963, and including all collections of delinquent tax and penalties for preceding quarter periods..... \$ 5,882,403.68

FISCAL AND CALENDAR YEAR COLLECTIONS:

1. Collections covering sales and use tax returns filed for the first twelve months (July 1, 1963, through June 30, 1964) that the 2½% broadened 1963 sales and use tax was in effect and including all collections of delinquent tax and penalties for preceding periods..... \$21,959,251.76*
2. Collections covering retail sales and use tax returns filed for the first calendar year, 1964, that the 2½% broadened 1963 sales and use tax was in effect and including all collections of delinquent tax and penalties for preceding periods..... \$22,727,497.61*

* Both of these two amounts include the returns for the two quarter year periods ended on March 31, 1964, and June 30, 1964.