

Fiscal Analysis

SALES TAX; NONPROFIT EXEMPTION



Bill/Sponsor **HOUSE BILL 4863 As Introduced**, Rep. Brian Palmer

House Committee Tax Policy

Analysis **Summary**
House Bill 4863 would amend the Sales Tax Act to provide an exemption against the first \$75,000 of sales at retail by a nonprofit entity for fund raising purpose.

Fiscal Impact
Based on information provided by the Department of Treasury and IRS Form 990 data from the National Center for Charitable Statistics (NCCS), the fiscal impact of HB4863 would be to reduce sales tax revenue by an estimated \$19.0 million. This would reduce the School Aid Fund by approximately \$13.9 million, and reduce revenue sharing funding by an about \$4.0 million.

Analyst(s)
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FLOOR ANALYSIS - 1/8/04

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