

March 12, 2014

The Honorable Richard Carlson, Chairperson
House Committee on Taxation
Statehouse, Room 185-N
Topeka, Kansas 66612

Dear Representative Carlson:

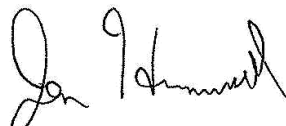
SUBJECT: Fiscal Note for HB 2746 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2746 is respectfully submitted to your committee.

HB 2746 would provide a sales tax exemption for the Friends of Hospice of Jefferson County, for the purpose of supporting the Jefferson County Hospice Agency in caring for Jefferson County families, friends, and neighbors during the end of life. The bill would exempt from sales tax all purchases of tangible personal property and services made by or on behalf of the Friends of Hospice of Jefferson County.

The Department of Revenue estimates that HB 2746 would decrease State General Fund and State Highway Fund revenues by a negligible amount in FY 2015 and each future fiscal year. Based on information from the organization, the Department of Revenue estimates that the organization purchases very few items that are currently subject to retail sales taxes. The bill is also estimated to have a negligible reduction to local sales tax revenues in FY 2015 and each future fiscal year. According to the Department of Revenue, reissuing sales tax publications and issuing the tax entity exemption certificate would cost \$1,000. Any fiscal effect associated with HB 2746 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,



Jon Hummell,
Interim Director of the Budget

cc: Steve Neske, Department of Revenue