

February 7, 2014

The Honorable Les Donovan, Chairperson
Senate Committee on Assessment and Taxation
Statehouse, Room 123-E
Topeka, Kansas 66612

Dear Senator Donovan:

SUBJECT: Fiscal Note for SB 338 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 338 is respectfully submitted to your committee.

SB 338 would provide a sales tax exemption for the Epilepsy Foundation of Missouri and Kansas, for the purpose of leading the fight to stop seizures, finding a cure, and overcoming the challenges created by epilepsy. The bill would exempt from sales tax all sales and purchases of tangible personal property and services made by or on behalf of the Epilepsy Foundation of Missouri and Kansas.

Estimated State Fiscal Effect				
	FY 2014 SGF	FY 2014 All Funds	FY 2015 SGF	FY 2015 All Funds
Revenue	--	--	(\$1,245)	(\$1,500)
Expenditure	--	--	\$1,000	\$1,000
FTE Pos.	--	--	--	--

The Department of Revenue estimates that SB 338 would decrease state revenues by \$1,500 in FY 2015. Of that total, the State General Fund is estimated to decrease by \$1,245, while the State Highway Fund is estimated to decrease by \$255 in FY 2015. The fiscal effect to state revenues during subsequent years is estimated to remain at or slightly above the \$1,500 amount. The bill is also estimated to have a negligible reduction to local sales tax revenues in FY 2015 and each future fiscal year; however, the precise amount was not estimated.

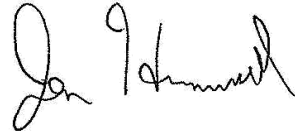
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According to the Department of Revenue, reissuing sales tax publications and issuing the tax entity exemption certificate would cost \$1,000. Any fiscal effect associated with SB 338 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Hummell". The signature is written in a cursive style with a large initial "J" and "H".

Jon Hummell,
Interim Director of the Budget

cc: Steve Neske, Department of Revenue