

SESSION OF 2019

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2399

As Amended by House Committee on Taxation

Brief*

HB 2399, as amended, would extend the current sunset from July 1, 2019 to July 1, 2022 on a sales tax exemption for the Gove County Healthcare Endowment Foundation, Inc.

Background

The bill was introduced by the House Committee on Taxation at the request of Representative Johnson on behalf of Representative Hineman. In the House Committee hearing on March 19, 2019, Representative Hineman appeared as a proponent, explaining that extension of the exemption would help complete certain work at a local airport providing air ambulance service in a more cost-effective manner. No other testimony was provided.

The House Committee amended the bill to reduce the sunset extension to three years, rather than five years as in the bill, as introduced.

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department of Revenue indicates the bill would reduce state sales tax receipts by \$13,000, including \$10,900 from the State General Fund and \$2,100 from the State Highway Fund, in FY 2020. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2020 Governor's Budget Report*.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>