

March 15, 2012

The Honorable Richard Carlson, Chairperson
House Committee on Taxation
Statehouse, Room 274-W
Topeka, Kansas 66612

Dear Representative Carlson:

SUBJECT: Fiscal Note for HB 2772 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2772 is respectfully submitted to your committee.

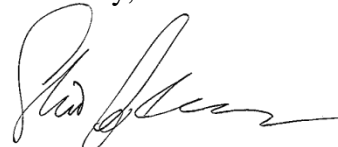
HB 2772 would provide a sales tax exemption for First Call for Help, Inc., for the purpose of coordinating and providing essential services and assistance programs to those in need in Reno County. The bill would provide a sales tax exemption for all purchases of tangible personal property and services made by or on behalf of First Call for Help, Inc.

Estimated State Fiscal Effect				
	FY 2012 SGF	FY 2012 All Funds	FY 2013 SGF	FY 2013 All Funds
Revenue	--	--	(\$888)	(\$1,000)
Expenditure	--	--	\$525	\$525
FTE Pos.	--	--	--	--

The Department of Revenue estimates that HB 2772 would decrease state revenues by \$1,000 in FY 2013. Of that total, the State General Fund is estimated to decrease by \$888, while the State Highway Fund is estimated to decrease by \$112 in FY 2013. This bill is also estimated to decrease local revenues by approximately \$250 in FY 2013.

The Department indicates the bill would require \$525 from the State General Fund for administrative costs to implement the bill and to revise sales tax publications. Any fiscal effect associated with HB 2772 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Steve Neske, Revenue