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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

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 2783 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2783 is respectfully submitted to your committee.

HB 2783 would provide a sales tax exemption for the Thomas P. O'Sullivan IV and Marina G O'Sullivan Family Fund, also known as the Thomas P. O'Sullivan IV Foundation. The bill would exempt from sales tax all sales and purchases of tangible personal property and services made by or on behalf of the Thomas P. O'Sullivan IV and Marina G. O'Sullivan Family Fund that are used to provide funding for the research, education, advocacy, prevention, and early detection of colorectal cancer.

| Estimated State Fiscal Effect |         |           |              |              |
|-------------------------------|---------|-----------|--------------|--------------|
|                               | FY 2012 | FY 2012   | FY 2013      | FY 2013      |
|                               | SGF     | All Funds | SGF          | All Funds    |
| Revenue                       |         |           | Confidential | Confidential |
| Expenditure                   |         |           | \$525        | \$525        |
| FTE Pos.                      |         |           |              |              |

The Department of Revenue indicates that it is unable to release confidential taxpayer information and therefore is unable to provide an estimate of the bill's fiscal effect on state revenues. 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 SB 402 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget