

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE NARROWING OF THE EXISTING EXEMPTIONS FROM THE STATE SALES AND USE TAXES FOR ARTICLES SOLD TO SELLERS OF ITEMS INTENDED FOR HUMAN CONSUMPTION THAT ARE FURNISHED BY THE SELLERS TO THEIR CUSTOMERS WITH SUCH ITEMS WITHOUT THE ADDITION OF A SEPARATE CHARGE.

Prime Sponsors: Representative Ferrandino  
Senator Heath

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**Summary of Amendments Made to the Bill After the 01/25/10 Legislative Council Staff Fiscal Note Was Prepared**

None.

**JBC Staff Concurrence with Legislative Council Staff Fiscal Note**

**Concurs**       **Does Not Concur**       **Updated Analysis**

**Amendments/Appropriation Status**

The bill requires but does not contain an appropriation clause. Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$94,322 General Fund and 0.9 FTE to the Department of Revenue for FY 2009-10 for implementation of this bill.

The appropriation clause for this bill is independent of the enactment of any other bill. If other similar bills affecting sales tax exemptions are enacted, with the same effective date, the aggregate costs of implementing those bills will be combined, but the aggregate expenditure is expected to be the cost of one enacted bill. If more than one bill passes regarding sales tax exemptions, the total cost will be adjusted with an add-on to the 2010 Long Bill.

The bill will require \$1,570 General Fund for programming costs to adjust the state's computer systems for the elimination of this exemption. The Department of Revenue does not require an appropriation for these programming costs because the Long Bill includes an appropriation to the Department of Revenue to implement legislation that requires computer programming hours. Programming costs in the Department of Revenue to implement session legislation will be shown in the Long Bill line item titled "Programming Costs for 2010 Session Legislation."

**Bill Sponsor Amendments**

Staff is not aware of any sponsor amendments to be offered.

**Points to Consider**

None