

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 54<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2693</b>
<b>Version:</b>	<b>CS</b>
<b>Request Number:</b>	<b>10066</b>
<b>Author:</b>	<b>Rep. Johnson</b>
<b>Date:</b>	<b>2/17/2014</b>
<b>Impact:</b>	<b>Tax Commission:</b>
	<b>Sales Tax Revenue Decrease: \$959,000</b>

**Research Analysis**

Not required.

Prepared By: Marcia Goff

**Fiscal Analysis**

HB 2693 proposes to exempt from the sales tax levy, sales of hearing aids or any other apparatus, device or equipment for use by a hearing-impaired person who is sixty-two (62) years of age or older which is prescribed by a state licensed audiologist or hearing aid dealer or fitter.

A compilation of 2013 sales tax reporting and remittance data indicates total state sales tax collections of \$1,176,583 attributable to the sale of hearing aids, devices and equipment by hearing aid vendors. Research indicates that 71% of all hearing aid users are 65 years of age or older. To account for the additional eligible persons between 62 and 64 years of age, it is assumed for purposes of the impact that 81% or \$953,032 of hearing aid sales are attributable to persons 62 years of age or older.

The estimated decrease in sales tax collections for FY 15 (including a 2.75% growth rate adjustment) is \$979,241

Prepared By: Mark Tygret

**Other Considerations**

None.