

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 2359
Version:	FULLPCS1
Request Number:	7701
Author:	Rep. Leslie Osborn
Date:	4/27/2017
Impact:	Tax Commission:

Net Positive Revenue
FY-18: \$1,281,000

Research Analysis

HB2359 increases the decal fees on all coin operated devices by 50 percent of the existing fee.

Prepared By: Quyen Do

Fiscal Analysis

From the Tax Commission:

The measure proposes an amendment to Section 1503 of Title 68 to increase the current decal fees imposed on the various types of coin-operated devices.

Types of Coin-Operated Devices	Current Fee	Proposed Fee
Coin-operated music/amusement device [Type A]	\$75.00	\$112.50
Coin-operated vending device requiring a coin or thing of value <\$0.25 [Type A]	\$75.00	\$100.00
Coin-operated vending device requiring a coin or thing of value >\$0.25 [Type B]	\$10.00	\$15.00
Coin-operated bulk vending device which vends one or more products through a single distribution mechanism requiring a coin or thing of value <\$0.25 [Type D]	\$5.00	\$7.50
Coin-operated bulk vending device which vends one or more products through more than one but not more than five distribution mechanisms requiring a coin or thing of value <\$0.25 [Type C]	\$15.00	\$22.50
Coin-operated bulk vending device which vends one or more products through six or more distribution mechanisms [Type C]	Applicable number of \$15.00 decals ¹	Applicable number of \$22.50 decals ¹

Based on FY 16 coin-operated device decal fee collections, it is projected that additional decal fees in the amount of \$1,281,000 will occur in FY 18 as a result of this measure.

Currently, coin-operated amusement/music and vending devices requiring a coin or thing of value greater than \$0.25 pay a per device decal fee of \$75.00 and receive a Type A decal. Creating a fee distinction between these two types of devices causes the Tax Commission to incur additional administrative costs of \$750 to create and print a new decal.

Prepared By: Mark Tygret

Other Considerations

None.