

BILL SUMMARY
2nd Session of the 57th Legislature

Bill No.:	HB 3776
Version:	INT
Request Number:	10335
Author:	Rep. Waldron
Date:	2/16/2020
Impact:	Tax Commission:
	Revenue Decrease
	FY-21: (\$12,000)

Research Analysis

HB3776, as introduced, provides a sales tax exemption on sales of tangible personal property or services to a nonprofit that owns and operates a museum with a principal focus on aviation, aircraft, rocketry, the U.S. space program, space vehicles and space exploration.

Prepared By: Quyen Do

Fiscal Analysis

Analysis provided by the Tax Commission:

Presently, there is one known organization that is not exempted by other statutory provisions, which could qualify for the proposed sales tax exemption. Information received from the entity indicates that state and local sales tax in the amount of \$21,052 was paid on its purchases of utilities and other sales taxable items for FY 19. Of this amount 53% or \$11,158 is attributed to state sales tax. Application of inflation rate adjustments of 1.9%¹ results in an estimated decrease in state sales tax collections of \$11,586 for FY 21.

¹ Based on latest version of the Consumer Price Index-All Urban Consumers

Prepared By: Mark Tygret

Other Considerations

None.