

January 28, 2014

The Honorable Les Donovan, Chairperson
Senate Committee on Assessment and Taxation
Statehouse, Room 123-E
Topeka, Kansas 66612

Dear Senator Donovan:

SUBJECT: Fiscal Note for SB 297 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 297 is respectfully submitted to your committee.

SB 297 would provide a sales tax exemption for Reaching Out From Within, Inc., for the purpose of sponsoring self-help programs for incarcerated persons that will enable them to become role models for non-violence while in correctional facilities and productive family members and citizens upon their return to the community. The bill would exempt from sales tax all purchases of tangible personal property and services made by or on behalf of Reaching Out From Within, Inc.

Estimated State Fiscal Effect				
	FY 2014 SGF	FY 2014 All Funds	FY 2015 SGF	FY 2015 All Funds
Revenue	--	--	(\$1,660)	(\$2,000)
Expenditure	--	--	\$1,000	\$1,000
FTE Pos.	--	--	--	--

The Department of Revenue estimates that SB 297 would decrease state revenues by \$2,000 in FY 2015. Of that total, the State General Fund is estimated to decrease by \$1,660, while the State Highway Fund is estimated to decrease by \$340 in FY 2015. The fiscal effect to state revenues during subsequent years is estimated to remain at or slightly above the \$2,000 amount. This bill is also estimated to decrease local revenues by \$500 in FY 2015.

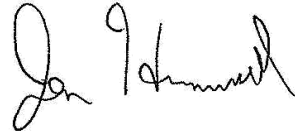
The Honorable Les Donovan, Chairperson

January 28, 2014

Page 2—SB 297

According to the Department of Revenue, reissuing sales tax publications and issuing the tax entity exemption certificate would cost \$1,000. Any fiscal effect associated with SB 297 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Hummell". The signature is written in a cursive style with a large initial "J" and "H".

Jon Hummell,
Interim Director of the Budget

cc: Steve Neske, Department of Revenue