



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 718

PRINTERS NO. 774

PRIME SPONSOR: F. Keller

REVENUE INCREASE / (DECREASE)

FUND	FY 2016/17	FY 2017/18
General Fund	\$0	(\$2,700,000)

SUMMARY:

House Bill 718, Printer's Number 774, amends the Tax Reform Code of 1971 further providing for an exclusion from the Sales and Use Tax (SUT) on the retail purchase of a gun safe or gun lock.

ANALYSIS:

This legislation adds subsection 204(71) providing for an exclusion from the sales and use tax for the sale at retail of a gun safe or gun lock.

A "gun safe" is defined as a self-contained enclosure specifically designed and manufactured for the purpose of storing a firearm and equipped with a padlock, key lock, combination lock or similar locking device which, when locked, prevents the unauthorized use of the firearm. This term does not include a gun cabinet. The term "gun lock" is defined to mean an originally manufactured locking device that when properly affixed and applied to a firearm is designed to prevent the unintentional or unauthorized discharge of the firearm. This term includes trigger locks, cable locks and chamber locks.

The act shall take effective in 60 days.

FISCAL IMPACT:

According to the Department of Revenue, enactment of this legislation will result in the loss of SUT revenue estimated to be \$2.7 million in fiscal year 2017-18.

PREPARED BY: Ritchie LaFaver
House Appropriations Committee (R)

DATE: May 9, 2017

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.