



HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 2066

PRINTER'S NO: 2999

PRIME SPONSOR: DeLuca

*As amended by A05488

FISCAL IMPACT SUMMARY	FY 2009/10	FY 2010/11
Expenditure Increase/(Decrease):		
General Fund	\$0	\$0

OVERVIEW:

House Bill 2066, as amended by A05488, would establish the Sales and Use Tax Study Commission to analyze the existing sales and use tax law and to propose recommendations to the Governor and the General Assembly for amending the tax. The commission shall provide a report of the study, which shall discuss viable recommendations on the following issues:

- Elimination of obsolete and unnecessary provisions;
- Expansion of the tax base as necessary;
- Ensuring a competitive economic market in this state; and
- Protection of the stability of the commonwealth's budget.

The commission would consist of seven appointees from the Governor (five of which must come from the PA Bar Association, PA Chamber of Business and Industry, the PA Institute of Certified Public Accountants, the PA Bankers Association, and the PA Retailer's Association), and four additional appointees to be named by the General Assembly. The Secretary of Revenue would chair the commission, and the Department of Revenue would be responsible for providing clerical, administrative, and research staff, as well as resources, supplies, and office space.

This act would take effect July 1, 2011.

ANALYSIS:

This bill would impose a burden on the Department of Revenue which is in addition to the current mandate and workload of the Department, and therefore additional fiscal resources may be required. The Department of Revenue estimates that this could cost up to \$600,000 to perform. Since the report is not due until the fiscal year 2011/12, it is assumed that the appropriations in the 2011/12 budget will account for the addition work and resources required by this bill.

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House Appropriations Committee, (D)

DATE: February 8, 2010

General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*