



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1138

PRINTERS NO. 2684

PRIME SPONSOR: Gabler

REVENUE INCREASE / (DECREASE)

FUND	FY 2013/14	FY 2014/15
General Fund	(\$400,000)	(\$1,000,000)

SUMMARY: House Bill 1138, Printer's Number 2684, amends the Tax Reform Code, further providing for definitions in the sales and use tax.

ANALYSIS: Current law provides a manufacturing exemption for the purchase or use of machinery, equipment, parts and supplies or the use of services or utilities used directly in farming, dairying, agriculture, horticulture, or floriculture. This legislation expands the current manufacturing exemption to include timbering operations.

The current definition of "building machinery and equipment" includes the term "traffic signals". This legislation amends the definition of "building machinery and equipment" to include traffic signal foundations, poles and mast arms.

The act shall take effect in 60 days.

FISCAL IMPACT: Enactment of this legislation is estimated to reduce revenues to the General Fund by \$400,000 in fiscal year 2013-14 and \$1,000,000 in fiscal year 2014-15.

PREPARED BY: Ritchie LaFaver
House Appropriations Committee (R)

DATE: November 20, 2013

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