

Statement of Estimated Local Revenue Impact

Date: March 26, 2014

Bill Number: S. 1069

Authors: McGill

Committee Requesting Impact: Senate Finance Committee

Bill Summary

A bill to amend Chapter 10, Title 4 of the 1976 Code, relating to Local Sales and Use Tax, to enact the "Public Safety Sales Tax Act" and to provide for the purpose of the tax and its enforcement.

REVENUE IMPACT ^{1/}

This bill is expected to increase local revenues by \$43,133,055 in FY 2014-15 if all eligible counties impose the tax. The revenue derived from the public safety sales tax would be deposited in a special fund to be known as the 'County Public Safety Sales Tax Fund'.

Explanation

This bill would allow counties with a population of less than 50,000 to impose a 1 percent local sales and use tax for the purpose of improving public safety. Based on the most recent information from the 2010 U.S. Census Bureau, 22 of the 46 counties would be eligible to impose this tax. As a result, this bill is expected to increase local revenues by \$43,133,055 in FY 2014-15. The revenue derived from the public safety sales tax would be deposited in a special fund to be known as the 'County Public Safety Sales Tax Fund'.



Frank A. Rainwater
Chief Economist

Analyst: Williams

^{1/} This statement meets the requirement of Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.