

OFFICE OF FISCAL ANALYSIS

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SB-711

AN ACT CONCERNING COVID-19 RELIEF FOR SMALL BUSINESSES AND REQUIRING FEDERAL REGULATORY ANALYSIS FOR PROPOSED STATE REGULATIONS.

As Amended by Senate "A" (LCO 8236)

Senate Calendar No.: 145

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Revenue Serv., Dept.	Various - Revenue Loss	250,000	250,000

Note: Various=Various

Municipal Impact: None

Explanation

The bill exempts certain employers from the sales and use tax on purchases of Personal Protective Equipment (PPE) and disinfecting products approved for use against COVID-19 by the National Centers for Disease Control and Prevention for FY 22 and FY 23 only. In total, the sales and use tax exemption on safety apparel is estimated to be \$250,000 per fiscal year to the state.¹

Senate "A" strikes the underlying bill and its associated impact and results in the impact described above.

The Out Years

¹ Tax collections from the 6.35% general sale tax are deposited into the General Fund (GF), the Special Transportation Fund (STF), and the Municipal Revenue Sharing Account (MRSA). The estimated revenue loss from the bill by fund is \$210,000 to the GF and \$20,000 to the STF and MRSA each.

Primary Analyst: EW
Contributing Analyst(s):
Reviewer: MM

6/3/21

The bill establishes the exemption for FY 22 and 23 only and therefore does not have a fiscal impact beyond FY 23.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.