

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE SALES AND USE TAX TREATMENT OF CERTAIN WHOLESALE SALES RELATED TO THE PRODUCTION OF AGRICULTURAL PRODUCTS.

Prime Sponsors: Reps. Arndt and McKean
Senator Sonnenberg

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Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/29/19.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
L.002	Bill Sponsor amendment - does not change fiscal impact
L.003	Bill Sponsor amendment - does not change fiscal impact

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2019-20.

Description of Amendments in This Packet

L.002 Bill Sponsor amendment **L.002** (attached) clarifies the definition of "agricultural and livestock products" within the definition of "wholesale sale".

L.003 Bill Sponsor amendment **L.003** (attached) makes a change to the definition of "wholesale sale".

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2019-20 based on the March

HB19-1329**JBC Staff Analysis**

2019 Legislative Council Staff revenue forecast. The budget package leaves approximately \$47.9 million General Fund unallocated. This bill is anticipated to reduce General Fund revenues by at least \$792,500 in FY 2019-20 and FY 2020-21, reducing the excess General Fund reserve by the same amount, with similar reductions in future years.