

FISCAL NOTE

May 10, 2022

Bill No:	HB 2386	Printer's No:	2974	Sponsor:	Miller
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COST / (SAVINGS)

Fund (s)	2021-22	2022-23
General Fund		\$2 Million

SUMMARY: HB 2386 amends the Tax Reform Code to exclude fencing materials and supplies used for agricultural purposes from sales and use tax.

ANALYSIS: HB 2386 exempts building and fencing materials and supplies used to fence, house, or confine livestock or poultry in facilities that are permanent or temporary from sales and use tax.

This act shall take effect in 60 days.

FISCAL IMPACT: Department of Revenue has indicated that if this bill is enacted it would result in the following sales and use tax revenue loss:

Fiscal Year	Amount
FY 22-23	\$2.0 Million
FY 23-24	\$2.8 Million
FY 24-25	\$2.7 Million
FY 25-26	\$2.7 Million
FY 26-27	\$2.8 Million
FY 27-28	\$2.9 Million

This should be considered in the context of the budget.