

FINANCIAL IMPACT ESTIMATING CONFERENCE

FINANCIAL IMPACT STATEMENT

FAIRNESS INITIATIVE REQUIRING LEGISLATIVE DETERMINATION THAT
SALES TAX EXEMPTIONS SERVE A PUBLIC PURPOSE
SERIAL NUMBER 03-30

Although the value of sales tax exemptions and exclusions subject to review is substantial, the probable impact of this amendment on state and local government revenues cannot be determined because it depends on future actions of the Legislature. If the Legislature continues all existing exemptions and exclusions, state and local government revenues will not be affected. Elimination of exemptions and exclusions could increase revenues, although any increase could be offset by other tax law changes.