

HB 2224 - DIGEST

Modifies and improves the state's excise tax system by:

- (1) Permanently extending the business and occupation surtax;
- (2) Eliminating the preferential business and occupation tax rate for travel agents;
- (3) Eliminating the sales and use tax exemption for bottled water;
- (4) Repealing the nonresident sales and use tax exemption;
- (5) Enacting an excise tax on capital gains;
- (6) Repealing the preferential business and occupation tax rate for sellers of prescription drugs;
- (7) Narrowing the use tax exemption for extracted fuel;
- (8) Repealing the preferential business and occupation tax rate for royalty income; and
- (9) Eliminating the real estate excise tax exemption for transfers that occur in foreclosures except in circumstances where the tax would impact the owner of the property and restructuring the existing statute to preserve the exemption for deeds given in lieu of the foreclosure process and transfers made to extinguish existing security interests.

Addresses nexus for excise tax purposes.

Requires the department of revenue to estimate the increase in state general fund revenues from the changes made in this act and notify the state treasurer of the increase.

Requires the state treasurer to transfer that amount from the general fund to the education legacy trust account.