

SHB 1109 - H AMD 465

By Representative Young

NOT ADOPTED 03/29/2019

1 On page 303, after line 19, insert the following:

2 "NEW SECTION. **Sec. 779. FOR THE OFFICE OF FINANCIAL**
3 **MANAGEMENT--SALES TAX HOLIDAY 2020 ACCOUNT.**

4 General Fund--State Appropriation (FY 2021) \$45,000,000

5 TOTAL APPROPRIATION \$45,000,000

6 The appropriation in this section is subject to the following
7 conditions and limitations:

8 (1) The appropriation in this section is provided solely for
9 expenditure into the sales tax holiday 2020 account created in
10 subsection (2) of this section for purposes of implementing House Bill
11 No. 1559 during the 2020 back-to-school shopping season.

12 (2) The sales tax holiday 2020 account is created in the state
13 treasury. Moneys in the account may be spent only after appropriation
14 and may be used only to implement House Bill No. 1559 (sales tax
15 holiday) pursuant to this section.

16 (3) After the 2020 back-to-school sales tax holiday established
17 under House Bill No. 1559, the department of revenue must calculate
18 the amount of revenue that would have been deposited in the state
19 general fund but for that sales tax holiday. The department shall
20 notify the state treasurer of the amount calculated under this
21 subsection, and the state treasurer, before January 1, 2021, must
22 transfer the lesser of that amount or forty-five million dollars from
23 the sales tax holiday 2020 account into the general fund."

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EFFECT: Appropriates \$45 million into newly created Sales Tax
.. Holiday 2020 Account for purposes of implementing the 2020

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back-to-school sales tax exemption under HB 1559, which exempts certain clothing and school supplies from sales tax during one weekend in August each year. Transfers up to \$45 million from the Sales Tax Holiday 2020 Account back to the GFS to replace the GFS revenue foregone during the tax holiday.

FISCAL IMPACT:

Increases General Fund - State expenditures by \$45,000,000.
Increases General Fund - State resources to offset a portion of revenue reductions from HB 1559.

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