

**FISCAL ESTIMATE FORM****2009 Session**

☒ ORIGINAL      ☐ UPDATED  
☐ CORRECTED      ☐ SUPPLEMENTAL

**LRB #****INTRODUCTION #**

Admin rule #      Tax 11 Sales &amp; Use Tax – 2009 Acts

**Fiscal Effect**

**State:** ☒ No State Fiscal Effect  
Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

☐ Increase Existing Appropriation      ☐ Increase Existing Revenues  
☐ Decrease Existing Appropriation      ☐ Decrease Existing Revenues  
☐ Create New Appropriation

Increase Costs - May be Possible to Absorb

Within Agency's Budget ☐ Yes ☐ No☐ Decrease Costs**Local:** ☒ No Local Government Costs

1. ☐ Increase Costs  
☐ Permissive ☐ Mandatory  
2. ☐ Decrease Costs  
☐ Permissive ☐ Mandatory  
3. ☐ Increase Revenues  
☐ Permissive ☐ Mandatory  
4. ☐ Decrease Revenues  
☐ Permissive ☐ Mandatory

## 5. Types of Local Governmental Units Affected:

☐ Towns      ☐ Villages      ☐ Cities  
☐ Counties      ☐ Others \_\_\_\_\_  
☐ School Districts      ☐ WTCS Districts

**Fund Sources Affected**
☐ GPR    ☐ FED    ☐ PRO    ☐ PRS    ☐ SEG    ☐ SEG-S
**Affected Ch. 20 Appropriations****Assumptions Used in Arriving at Fiscal Estimate:**

The proposed rule updates Chapter TAX 11 of the Administrative Code, pertaining to the sales and use tax, to reflect certain sales tax changes adopted during the 2009 Legislative session. Specifically, the proposed rule updates Chapter TAX 11 to conform, or more clearly conform, this chapter of the administrative code to sales tax provisions contained in the following 2009 Acts:

Act 2 – 2008-09 Budget Adjustment Legislation

Act 28 – 2009-11 Budget Bill

Act 204 – Food Sold by Child Welfare Facilities

Act 330 – Streamlined Sales and Use Tax Agreement Changes

The proposed rule modifies TAX 11 to reflect law changes, improve clarity, and add examples to illustrate the tax treatment of certain items.

The proposed rule includes:

- Updates and clarifications to reflect amendments to the Streamlined Sales and Use Tax Agreement.
- Act 204's sales tax exemption for food, except soft drinks, sold by any child welfare facility licensed or certified under Chapter 48.
- Examples of items not directly used in manufacturing (to facilitate the administration of Act 28's modifications to the definition of manufacturing).
- Clarifications to earlier changes pertaining to Act 2 and Act 28.

The fiscal effects of these rule changes were included in the fiscal estimates of 2009 Acts 2, 28, 204 and 330. Consequently, these rule changes have no fiscal effect.

**FISCAL ESTIMATE WORKSHEET**

Detailed Estimate of Annual Fiscal Effect

**2009 Session**
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**LRB #****INTRODUCTION #**
Admin. Rule #  
Tax 11 Sales & Use  
Tax – 2009 Acts

**Subject PROPOSED ORDER OF THE DEPARTMENT OF REVENUE REPEALING, RENUMBERING, RENUMBERING AND AMENDING, AMENDING, REPEALING AND RECREATING, AND CREATING RULES**
**I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**

<b>II. Annualized Costs:</b>		<b>Annualized Fiscal impact on State funds from:</b>	
		<b>Increased Costs</b>	<b>Decreased Costs</b>
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringe		\$	\$ -
(FTE Position Changes)		(      )	-
State Operations-Other Costs			
Local Assistance			-
Aids to Individuals or Organizations			-
<b>TOTAL State Costs by Category</b>		\$	\$
<b>B. State Costs by Source of Funds</b>			
GPR		\$	\$
FED			-
PRO/PRS			-
SEG/SEG-S		\$	-
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		<b>Increased Rev.</b>	<b>Decreased Rev.</b>
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
<b>TOTAL State Revenues</b>		\$	\$ -

**NET ANNUALIZED FISCAL IMPACT****STATE****LOCAL**

NET CHANGE IN COSTS	\$ 0	\$ 0
NET CHANGE IN REVENUES	\$ 0	\$ 0
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