

SB 1400-Sales Tax Changes

Repeals the following exemptions:

- Personal hygiene products
- Non-prescription drugs
- Footwear and clothing over \$50
- Bibles
- Food and beverages except federally approved items for the Women, Infants and Children Program
- Candy and gum
- Newspapers except advertising
- Magazines
- Casket and burial vaults
- Flags
- Textbooks
- Mail order and direct mail advertising
- Racehorses and select supplies
- Construction of memorials
- Sale or use of used prebuilt housing
- Airline food
- Uniform commercial code filing fees
- Investment bullion

Repeals the following currently exempt services:

- Medicare Part B transactions
- Transportation funded by federal, state, or local government
- Finance and insurance fees
- Tuition
- Business services (Personal Only):
 - Legal
 - Architectural, engineering, and related services
 - Accounting, auditing and bookkeeping services
 - Specialized design
 - Advertising, public relations, and related services
 - Services to buildings and dwellings
 - Consulting (scientific, environmental, & technical)
 - Scientific research and development services
 - Information services
 - Administrative services
 - Custom programming, design and data processing
 - Parking lots and garages
- Legal services relating to domestic relations matters or criminal matters
- Legal services rendered as part of a transfer of an interest in real property
- Legal services where payment is contingent on a percentage recovered by legal claim or dispute
- Real estate broker services
- Services performed solely by person under 18
- Services free to the recipients, which are not necessarily free to the purchaser
- Services performed by employees for an employer
- Sale for resale services
- Services used as inputs to a taxable service

- Telecommunication services
- Rental of films for commercial exhibition
- Medical goods and services provided by hospitals
- Physician and dental services

(\$ Millions)

	2012-13	2013-14	2014-15	2015-16*	2016-17*
Base Adjustments at 7% less PTRF	1,602.9	3,977.9	4,139.8	4,314.3	4,486.5
Current Law SUT rate increase	578.2	1,444.2	1,490.2	1,535.3	1,576.5
Revenue Increase Over Current Law	2,181.1	5,422.1	5,630.0	5,849.5	6,063.1

*numbers may not sum to total because of rounding