

**NOTE: As provided in LFC policy, this report is intended for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.**

**Only the most recent FIR version, excluding attachments, is available on the Intranet. Previously issued FIRs and attachments may be obtained from the LFC office in Suite 101 of the State Capitol Building North.**

## FISCAL IMPACT REPORT

SPONSOR: Cravens DATE TYPED: 03/16/01 HB \_\_\_\_\_  
 SHORT TITLE: Income Tax Credit for Certain Electronic SB 458  
Equipment \_\_\_\_\_  
 ANALYST: Williams

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
	\$ (345.0)		Non-Recurring	General Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files  
 Taxation and Revenue Department (TRD)

### SUMMARY

#### Synopsis of Bill

The bill would authorize a non-recurring personal and corporate income tax credit for individuals and businesses licensed to sell cigarettes, tobacco products or alcoholic beverages who have purchased and use equipment to electronically read identification cards to verify age. The credit would be \$300 for each business location. Partnerships and other business organizations must apportion the credit as appropriate. The bill is effective beginning tax year 2001.

### FISCAL IMPLICATIONS

TRD analysis estimates a non-recurring general fund revenue loss of \$345.0 in FY02. The impact is based on 1,154 establishments (the number of liquor licensees) qualifying. TRD notes only a small fraction of eligible establishments will either purchase the devices during CY 2002.

AW/ar