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FISCAL IMPACT REPORT

SPONSOR Jennings DATE TYPED 1/29/04 HB _____

SHORT TITLE Medical Services Gross Receipts SB 180

ANALYST Taylor

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	NFI	NFI		

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Response Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

Senate Bill 180 reconciles amendments to statute. It adds a provision allowing a gross receipts tax deduction for receipts from payments by the U.S. government for medical services provided by a clinical laboratory to medicare beneficiaries. The deduction is phased over three years: FY05, FY06 and FY07.

Significant Issues

TRD reports that this bill reconciles amendments to the same sections of statute passed during the 2003 regular session, thus aligning statute with legislative intent.

FISCAL IMPLICATIONS

TRD reports that there is no fiscal impact associated with the bill because they are currently honoring the deductions passed into law last year.

ADMINISTRATIVE IMPLICATIONS

TRD reports that the bill imposes no administrative impact on the department.

TECHNICAL ISSUES

TRD submitted the following technical issue:

Laws 2003, Chapter 351 phases-in GRT deductions for clinical labs and home health agencies over a three-year period beginning July 1, 2003. This bill specifies July 1, 2004 as the initial phase-in period. Since the 2003 bill was passed and signed into law with a July 1, 2003 initial period, and the department is currently honoring the law as it passed last year, the provisions of this bill should be amended to reflect the original July 1, 2003 date.

BT/lg