

FISCAL NOTE

	FY 2024	FY 2025	FY 2026
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue /(decrease)			
GENERAL FUND	(\$1,783,000)	(\$1,783,000)	(\$1,783,000)
LOCAL SOURCES FUND	(\$1,645,000)	(\$1,645,000)	(\$1,645,000)

Source of revenue (decrease):

This bill creates a sales and use tax holiday each year during the first weekend in August on the sale or purchase of specified back to school clothing, computers and computer hardware, computer software, school supplies and sports equipment.

Assumptions:

The above estimate is provided by the Department of Revenue (DOR) based on the following assumptions:

- Average annual qualifying back to school shopping purchases of \$600 per student, based on online research of back to school shopping costs in the U.S. ranging from \$500 to \$900.
- 93,000 K-12 students (with 100% purchasing in Wyoming) and 20,000 students among the community colleges, University of Wyoming, and other trade schools (with 70% purchasing in Wyoming) for a total of 107,000 students.
- 107,000 students x \$600/student = \$64,200,000 in taxable purchases.
- Average sales tax rate in Wyoming of 5.34%, resulting in approximately \$3,428,000 in total sales and use tax exempted.
- It is assumed 52% of the sales and use tax exempted would go to the General fund and 48% would go to local governments.
- The sales and use tax exempted is assumed to remain at the estimated amount throughout the estimate period.

The DOR anticipates no administrative impact from this bill, under the assumption that vendors would be responsible for temporarily coding qualifying items as exempt during the sales tax holiday.

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