

**FISCAL NOTE**

	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue increase/(decrease)			
GENERAL FUND	(\$38,600,000)	(\$39,700,000)	(\$40,700,000)
LOCAL SOURCES FUND	\$38,600,000	\$39,700,000	\$40,700,000

Source of revenue increase(decrease):

This bill reduces the General Fund share of the 4 percent state sales and use tax distribution from 69 percent to 65 percent. This reduction in the General Fund share results in a corresponding increase in the state sales and use taxes distributed to local governments.

Assumptions:

The above estimates are based on the General Fund sales and use taxes projected in Table 1 of the October 2024 Consensus Revenue Estimating Group (CREG) forecast.

The above estimates include the change in the distribution of 1) the 4 percent state sales and use taxes distributed to the General Fund and to local governments and 2) the change in the 1 percent administrative fee deducted from the local share and distributed to the General Fund.

This bill is effective July 1, 2025, impacting the distribution of the 4 percent state sales and use tax beginning in FY 2026.

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