

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6484
BILL NUMBER: SB 173

NOTE PREPARED: Dec 11, 2024
BILL AMENDED:

SUBJECT: Sales Tax Exemption for Menstrual Discharge Collection Devices.

FIRST AUTHOR: Sen. Yoder
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill provides a Sales Tax exemption for menstrual discharge collection devices.

Effective Date: July 1, 2025.

Explanation of State Expenditures: The Department of State Revenue (DOR) will incur additional expenses to revise tax forms, instructions, and computer programs to reflect the changes made by the bill. The DOR's current level of resources should be sufficient to implement these changes.

Explanation of State Revenues: This provision is estimated to reduce state revenues by \$5.3 M in FY 2026 and \$5.9 M in FY 2027. Sales Tax revenue is distributed to the General Fund (99.838%), Commuter Rail Service Fund (0.131%), and Industrial Rail Service Fund (0.031%). [The estimated revenue loss is based on data from other states with similar exemptions, adjusted for tax rate, regional price parity, population, and inflation.]

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of State Revenue.

Local Agencies Affected:

Information Sources: U.S. Census Bureau, American Community Survey, 2022, [https://data.census.gov/table?t=Age%20and%20Sex:Populations%20and%20People&g=010XX00US\\$0400000_040XX00US27&y=2022](https://data.census.gov/table?t=Age%20and%20Sex:Populations%20and%20People&g=010XX00US$0400000_040XX00US27&y=2022);
BEA regional price parities by state, 2022, <https://apps.bea.gov/itable/?ReqID=70&step=1>;
Maine Revenue Services, Tax Expenditure Reports, <https://www.maine.gov/revenue/taxes/tax-policy-office>;
Minnesota Department of Revenue, Tax Expenditure Budget, Fiscal Years 2022-2025,

https://www.revenue.state.mn.us/sites/default/files/2022-02/2022%20Tax%20Expenditure%20Budget_0.pdf;

New Jersey Department of Treasury, <https://www.nj.gov/treasury/taxation/pdf/taxexpenditurereport2024.pdf>

New York State Department of Taxation and Finance, Division of the Budget,

<https://www.budget.ny.gov/pubs/archive/fy25/ex/ter/fy25ter.pdf>

Ohio Department of Taxation, Tax Expenditure Report, Fiscal Years 2024-2025,

https://archives.obm.ohio.gov/Files/Budget_and_Planning/Operating_Budget/Fiscal_Years_2024-2025/ExecutiveBudget/Book_Two_Tax_Expenditure_Report.pdf.

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