



March 24, 2021

**SUMMARY OF ORIGINAL BILL:** Authorizes dealers who average \$500 or less in sales tax liability over a 12-month period, to file sales tax returns monthly or quarterly. Requires the \$500 average to be recalculated every five years to adjust for inflation. Requires any sales and use tax liability that is adjusted for inflation to be rounded to the nearest \$10, with the first adjustment occurring on January 1, 2026.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (005801):** Deletes and substitutes language from the original bill such that the only substantive change is to increase the maximum sales tax liability from \$500 to \$1,000 for eligibility to file sales taxes on a quarterly basis.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- The current practice of the Department of Revenue is to allow dealers filing less than \$200 a month to file quarterly.
- Any shift in state or local revenue as a result of authorizing dealers averaging between \$200 and \$1,000 of sales tax liability per month to file their taxes quarterly rather than monthly is estimated to be not significant.
- It is assumed that the proposed legislation will not significantly impact interest earnings on invested sales tax collections.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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