



February 28, 2022

**SUMMARY OF BILL AS AMENDED (014170):** Extends the wholesaler reporting requirements under the Retail Accountability Program (RAP) that are set to sunset on July 1, 2022 to July 1, 2025. Requires the Comptroller of the Treasury (COT) to review the effectiveness and efficiency of the RAP and to issue a report of the findings and conclusions to the Speakers of the Senate and House of Representatives and Chairs of the Finance, Ways, and Means Committees by November 1, 2024.

**FISCAL IMPACT OF BILL AS AMENDED:**

**NOT SIGNIFICANT**

Assumptions for the bill as amended:

- Under the RAP, pursuant to Tenn. Code Ann. § 67-6-410, the Commissioner of the Department of Revenue (DOR) is authorized to require persons making sales to retailers of beer or tobacco products to file an information report of such sales.
- Pursuant to Tenn. Code Ann. § 67-6-410(a)(3), the Commissioner of the Department of Revenue is authorized to require persons making sales to retailers of food, candy, and nonalcoholic beverages, including bottled soft drinks, to file an information report of such net sales.
- Based on information provided by the DOR, the proposed requirement results in approximately \$1,000,000 in additional sales tax collections, \$710,200 of which is the state portion and \$289,800 of which is the local portion.
- Extending the requirement until July 1, 2025 will maintain the current level of state and local sales tax collections.
- Requiring the COT to issue a report on the effectiveness and efficiency of the RAP will not require any additional resources or staff; therefore, any fiscal impact to state government is considered to be not significant.

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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