

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1958 - SB 2509

February 23, 2018

SUMMARY OF BILL: Authorizes a county register to retain a five percent commission of privilege and excise tax collections.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$6,585,400

Increase Local Revenue – \$6,585,400

Assumptions:

- Under current law, pursuant to Tenn. Code Ann. § 67-4-409(d)(2), county registers are entitled to a five percent commission of privilege and excise taxes collected and are required to remit 52 percent of the five percent commission to the State Treasurer. These funds are subsequently deposited to the General Fund.
- Based on information provided by the Department of Revenue, the total tax collections subject to the five percent commission for FY18-19 is estimated to be \$253,283,225. This number is assumed to remain constant into perpetuity.
- Deleting the requirement for county registers to remit 52 percent of the 5 percent will lead to a recurring decrease in state tax revenue to the General Fund and a corresponding recurring increase in local tax revenue estimated to be \$6,585,364 [$(\$253,283,225 \times 5.0\%) \times 52\%$].

CERTIFICATION:

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

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

/amj

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