

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2021 REGULAR SESSION**

MEASURE

2021 BR NUMBER 399

HOUSE BILL NUMBER 84

TITLE AN ACT relating to exemptions for disaster response businesses and employees.

SPONSOR Representative Myron Dossett

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: _____

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2020-2021	2021-2022	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		(Indeterminable)	(Indeterminable)
EXPENDITURES			
NET EFFECT		(Indeterminable)	(Indeterminable)

() indicates a decrease/negative

PURPOSE OF MEASURE: HB 84 excludes disaster response businesses and disaster response employees from being assessed occupational license tax and license fees imposed at the local level; and allows an income tax exemption for these businesses or employees that have no other business in this state. This is for taxable years beginning on or after January 1, 2021, but before January 1, 2025.

FISCAL EXPLANATION:

There is a negative impact to the General Fund and a negative impact to any local government that imposes an occupational license tax or business license. The negative impact at both the state and local level is indeterminable. The negative impact would be incurred only if a disaster is declared by the Governor or the President of the United States and only if there were businesses or individuals not currently doing business in this state that respond during the disaster. There is no current data source to determine the negative fiscal impact, to determine when a disaster is likely to occur, or if individuals or businesses from outside Kentucky may respond.

DATA SOURCE(S): LRC Staff

PREPARER: Sarah Watts **NOTE NUMBER:** 8 **REVIEW:** JAB **DATE:** 2/5/2021