



April 17, 2019

**SUMMARY OF ORIGINAL BILL:** Establishes that the report required of the Tennessee Technology Development Corporation (TTDC) pursuant to Tenn. Code Ann. § 67-1-125(b), relative to angel investor tax credits, may be transmitted to recipients electronically.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (008509):** Deletes all language after the enacting clause. Deletes the option for dealers with no location in this state that choose to pay state and local sales and use tax to apply the uniform statewide local option sales tax rate of 2.25 percent. Revises the distribution of local revenue when received by the Department of Revenue from such dealers.

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

**Other Fiscal Impact – Due to multiple unknown factors, the net impact of this legislation on local tax revenue collections cannot be quantified with reasonable certainty.**

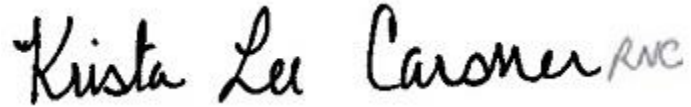
Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 67-6-702(f), dealers with no location in this state may choose to pay, in lieu of the specific local option tax rate, local tax at the rate of 2.25 percent.
- The average local option sales and use tax rate is estimated to be 2.50 percent.
- The proposed legislation could result in an increase in local revenue if out-of-state dealers utilize the higher average local option sales tax rate of 2.50 percent. However, the proposed legislation could also result in a decrease in local revenue if certain out-of-state dealers who currently voluntarily collect the state and local sales and use tax elect to not collect the tax upon passage of this legislation due to increased compliance costs.
- Therefore, the net impact of this legislation on local tax revenue cannot be quantified with reasonable certainty.

- Provisions of this legislation revising the distribution of local revenue when received from out-of-state dealers will only impact revenue received by various local governments, but will not impact the total local revenue tax collections.

**CERTIFICATION:**

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

Handwritten signature of Krista Lee Carsner in black ink.

Krista Lee Carsner, Executive Director

/jdb