

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2397

STATE OF NEW JERSEY

DATED: JANUARY 9, 1997

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2397.

Assembly Bill No. 2397 provides for a sales tax exemption for component parts of shoes purchased for shoe repairs. Clarification is needed in the statutes for an equitable position with clothing components. Purchasers of shoe components parts, such as heels and soles, have been paying sales tax on their purchases. Purchasers of clothing components, such as fabric, thread, buttons and zippers, do not pay sales taxes on their purchases.

FISCAL IMPACT:

There is no specific data available to estimate a loss of revenue to the State, however, the loss is likely to be minimal.