

LEGISLATIVE FISCAL ESTIMATE TO
SENATE, No. 2033
STATE OF NEW JERSEY

DATED: JUNE 16, 1997

Senate Bill No. 2033 of 1997 allows to persons required to collect sales taxes a discount of one percent of the taxes collected as consideration for collecting and promptly remitting the taxes. Currently, the States of New York, Pennsylvania and Maryland allow for a retail discount for collecting state sales taxes.

Neither the Division of Taxation nor the Department of Treasury has provided any fiscal information on this bill. The Office of Legislative Services (OLS) estimates a revenue loss from enactment of this bill at approximately \$45.75 million. This is based on a one percent discount of the FY1998 sales tax revenue estimate of \$4.575 billion from the OLS "Revised Revenue Estimates for the FY1998 Budget." Historically, sales tax revenues have increased between two percent and four percent yearly and are expected to generally follow this pattern in the near future.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.