

January 24, 2023

The Honorable Will Carpenter, Chairperson
House Committee on Federal and State Affairs
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Representative Carpenter:

SUBJECT: Fiscal Note for HB 2058 by House Committee on Federal and State Affairs

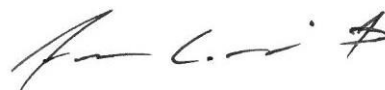
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2058 is respectfully submitted to your committee.

HB 2058 would change the filing frequency of gallonage taxes collected by a special order shipping licensee from quarterly to monthly.

The Department of Revenue indicates HB 2058 would have no fiscal effect on the amount of liquor gallonage tax collections. The change would allow the Department of Revenue's Alcohol Beverage Control to run timely match reports to identify unlawful shipments of alcoholic liquor. Currently, fulfillment house licensees and common carriers report monthly and special order shippers report quarterly, which causes a delay in the ability to run match reports to identify any unlawful shipments.

The Department indicates that the bill would require \$5,000 from the State General Fund in FY 2024 for additional information technology expenditures. However, if the combined effect of implementing this bill and other enacted legislation exceeds the Department's programming resources, or if the time for implementing the changes is too short, expenditures for outside contract programmer services beyond the Department's current budget may be required. Any fiscal effect associated with HB 2058 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue