HB 706 -- SALES TAX FOR EARLY CHILDHOOD EDUCATION PROGRAMS

SPONSOR: Hough

This bill authorizes Greene County or any city within the county to impose, upon voter approval, a sales tax not to exceed .25% on all retail sales within the county or city for the purpose of funding early childhood education.

On or after the effective date of any tax authorized, the county or city must enter into an agreement with the Director of the Department of Revenue to collect the tax and the department director must be responsible for the administration, collection, enforcement, and operation of the tax. All revenue collected, except for 1% for the cost of collection which must be deposited in the General Revenue Fund, must be deposited in the Early Childhood Education Sales Tax Trust Fund. Moneys in the fund must not be deemed state funds and cannot be commingled with any funds of the state.

The governing body of any county or city that has adopted the sales tax may submit the question of repeal of the tax to the voters at a general election. The tax can also be repealed by petition, signed by 10% of the registered voters of the county or city voting in the last gubernatorial election, calling for an election to repeal the sales tax.

If the tax is repealed or terminated by any means, all funds remaining in the trust fund must continue to be used solely for early childhood education. One year after the repeal of the tax, the department director must remit the balance in the account to the county or city and close the account.

The governing body of the county or city imposing the tax must select an existing community task force to administer the revenue received. The revenue must only be expended upon approval of an existing community task force selected by the governing body of the county or city to administer the funds and only in accordance with a budget approved by the county or city governing body.

Any tax imposed under these provisions must be submitted to the voters of the taxing jurisdiction for retention or repeal every five years using the same procedure by which the imposition of the tax was voted.