

HB 1536 -- Political Subdivision Taxes

Sponsor: Burlison

Upon voter approval, this bill authorizes any political subdivision by resolution to replace the personal property tax levied for funding the political subdivision with a revenue-neutral increase in either the local sales tax or real property tax. The reduction in the personal property tax and the increase in either the local sales tax or the real property tax can be phased-in over several years but must be specified in the resolution and ballot language. If an increase in the sales tax is approved, the Department of Revenue will deposit the sales tax into the newly created Political Subdivision Property Tax Replacement Sales Tax Fund less 1% of the amount collected which is to be deposited into the General Revenue Fund for the cost of collecting the sales tax. The existing procedures for collecting real property taxes will apply to the replacement real property tax if approved.