

NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE FISCAL NOTE

BILL NUMBER: House Committee Substitute For HB 55
SHORT TITLE: Aquaculture Sales Tax Exemption
SPONSOR(S): Representatives Redwine and Hill
FISCAL IMPACT: **Expenditures:** **Increase ()** **Decrease ()**
 Revenues: **Increase ()** **Decrease (X)**
 No Impact ()
 No Estimate Available ()

FUND AFFECTED: General Fund (X) Highway Fund () Local Govt. ()
 Other Funds ()

BILL SUMMARY:

The proposed act extends the sales and use tax exemption to commercially manufactured aquaculture facilities. Swine, livestock, and poultry facilities are currently exempt from sales and use tax under G.S. 105-164.13(4c).

EFFECTIVE DATE: July 1, 1995

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED:

Department of Revenue Sales and Use Tax Division

FISCAL IMPACT

Estimate

	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>
	95-96	96-97	97-98	98-99	99-00

REVENUES:

GENERAL FUND Estimated loss: Less than \$50,000 a year

ASSUMPTIONS AND METHODOLOGY:

The estimate assumes 3 farms and 50 acres in ponds could be constructed in the State each year for the next five years at a cost of \$250,000 per farm and \$3,000 per acre.

SOURCES OF DATA:

NCSU Cooperative Extension Service

FISCAL RESEARCH DIVISION

733-4910

PREPARED BY: H. Warren Plonk

APPROVED BY: Tom L. Covington **TomC**

DATE: February 28, 1995

