

# FISCAL NOTE

H.B. 398 1st Sub. (Buff)

SHORT TITLE: Fees on Gift Cards or Certificates

SPONSOR: Brown, M. (Brown, M. Sub.)

2013 GENERAL SESSION

## STATE GOVERNMENT (UCA 36-12-13(2)(b))

To the extent that companies are currently accounting for unredeemed gift cards as profits in corporate tax returns enactment of this bill could result in a reduction in revenue to the Education Fund. The extent of such a revenue decline is unknown at this time.

## LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs for local governments.

## DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Businesses who profit from expired unredeemed gift cards could experience a loss of revenue and an associated decline in tax liability.

## PERFORMANCE NOTE (JR 4-2-404): Not Required