

HB 1286 -- AMBULANCE OR FIRE PROTECTION DISTRICT SALES TAXES

SPONSOR: Matthiesen

Currently, the governing body of an ambulance or fire protection district in certain counties may impose a sales tax in an amount up to .5% on all retail sales within the district.

This bill states that if an ambulance or fire protection district imposes a sales tax that does not exceed .5% before the effective date of this bill, the district may impose an additional percentage. The total percentage of a sales tax shall not exceed 1% in total. If an ambulance or fire protection district has not yet imposed a sales tax before the effective date, it may also impose an amount up to 1% in total.

This bill also changes the necessary language for a ballot question put before the voters for the imposition of a sales tax after the effective date of this bill. The changed language is provided in the bill.

Currently, if voters approve the ballot question to impose a sales tax, then the governing body of the ambulance or fire protection district must lower the level of its local tax rate by an amount which reduces property tax revenues by 50% of the amount of sales tax collected in the previous year.

This bill states that for sales taxes approved by voters after the effective date of this bill, the governing body must lower the level of its local tax rate by an amount equal to 75% of the amount of sales tax collected in the preceding year.

Currently, when the revenue from an ambulance or fire protection district sales tax is collected for distribution, the Board of the district must reduce the total operating levy of the district in an amount sufficient to decrease the revenue it would have received therefrom by an amount equal to 50% of the previous fiscal year's sales tax receipts.

This bill states that for a sales tax imposed after the effective date of this bill, the Board must reduce the total operating levy of the district in an amount sufficient to decrease the revenue it would have received therefrom by an amount equal to 75% of the previous fiscal year's sales tax receipts.