

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 539 (Senator Middleton)
Budget and Taxation

Sales and Use Tax - Scanning Closed Circuit Television Camera for Use by Vision-Impaired Individual

This bill exempts from the sales and use tax the sale of a scanning closed circuit television camera for use by a vision-impaired individual.

The bill is effective July 1, 1996.

Fiscal Summary

State Effect: Potential decrease in general fund revenues of \$13,800 in FY 1997. Future year estimates reflect 2% growth rate. No effect on expenditures.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	(\$13,800)	(\$14,000)	(\$14,300)	(\$14,600)	(\$14,900)
GF Expenditures	0	0	0	0	0
Net Effect	(\$13,800)	(\$14,000)	(\$14,300)	(\$14,600)	(\$14,900)

Note: () - decrease; GF - general funds

Local Effect: None.

Fiscal Analysis

State Revenues: There are approximately 10,000 severely visually impaired individuals in Maryland, 5% of whom are likely to purchase a scanning closed circuit television camera. Each such camera costs approximately \$550. This yields a general fund revenue loss of approximately \$13,800.

It is possible that scanning closed circuit television cameras are exempt from the sales and use tax under the existing exemption for tangible personal property that is manufactured to compensate for blindness. Because this would require a broad interpretation of the existing exemption, the above estimate assumes that the equipment is not currently exempt.

Information Source(s): Office of the Comptroller (Compliance Division)

Fiscal Note History: First Reader - February 8, 1996

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