

Fiscal Estimate - 2025 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 25-1403/1	Introduction Number AB-0240
Description a sales and use tax exemption for equipment associated with the use of a search and rescue dog	
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations</div><div style="width: 33%;"><input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Decrease Existing Revenues</div><div style="width: 33%;"><input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs</div></div> Local: <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input checked="" type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory</div><div style="width: 33%;">5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"><div style="width: 50%;"><input type="checkbox"/> Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> School Districts</div><div style="width: 50%;"><input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts</div></div><input checked="" type="checkbox"/> Cities</div></div>	

Fiscal Estimate Narratives

DOR 5/7/2025

LRB Number	25-1403/1	Introduction Number	AB-0240	Estimate Type	Original
Description a sales and use tax exemption for equipment associated with the use of a search and rescue dog					

Assumptions Used in Arriving at Fiscal Estimate

The bill provides a sales and use tax exemption for the sale of tangible personal property used to train, manage, or control a search and rescue dog. The bill requires a purchaser to provide an exemption certificate to the seller in order to claim the exemption.

The department anticipates the sales and use tax revenue reduction under the bill to be minimal.

Information on the number of existing search and rescue dogs in the state is limited and varied. On the high side of the estimates, it is reported that the National Association for Search and Rescue or NASAR estimates that there are over 5,000 operational search and rescue dogs in the US. Assuming the dogs are allocated among the states in proportion to population, there would be roughly 90 such dogs in the state currently. Other estimates suggest much lower numbers of search and rescue dogs.

Assuming 90 dogs and annual expenditures for tangible personal property covered by the proposed exemption is \$1,000 per dog per year, the total potential taxable sales would be \$90,000. The corresponding reduction in sales tax would be less than \$5,000. Additionally, some purchases of such tangible personal property may already be exempt under current law for certain nonprofit organizations and government entities. The fiscal effect could be larger to the extent the number of search and rescue dogs or the expenditures exceed the assumed amounts in the fiscal estimate.

Long-Range Fiscal Implications