

Funding Clean Water  
 Prepared for House Ways & Means  
 27-Apr-18

	<u>Estimate</u> <u>(annual)</u> <u>Millions</u>	% to clean water	<u>FY20</u> <u>\$ millions</u>	<u>FY21</u> <u>\$ millions</u>
0.25% increase on Rooms & Meals tax plus	\$ 4.50		\$ 2.45	\$ 4.55
increased Rooms compliance	\$ 0.50	3%	\$ 0.01	\$ 0.01
Escheats on unclaimed beverage deposits	\$ 1.94	100%	\$ 0.49	\$ 1.94
<b>TOTAL Revenue</b>	<b>\$ 6.94</b>		<b>\$ 2.94</b>	<b>\$ 6.50</b>
Admin Costs (preliminary estimate)			\$ (0.40)	\$ (0.10)
<b>Net Revenue</b>			<b>\$ 2.54</b>	<b>\$ 6.40</b>

Assumptions

Estimates only

Effective 1/1/2020

Increased rooms compliance allocation based on amount of rate going to clean water

Escheats assumes 15% non-redemption rate, quarterly reporting so FY20 only receives 1/4 revenue

Admin costs are per Tax Dept: \$300,000 implementation, 1 FTE ongoing