

Repeal B&O tax deduction for membership fees and dues

Description This proposal would repeal the membership fees and dues B&O tax deduction.

Current Law Current law provides a B&O tax deduction for “bona fide” initiation fees and dues.

- This is defined by rule to mean charges for the express privilege of belonging to a club, organization, or society (i.e., the social aspect of membership).
- These are amounts that are *not* provided in exchange for any significant goods or services.

Revenue Impact General Fund Impacts (\$ millions):

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$0	\$1.9	\$1.9

Notes:

- *Estimates assume a July 1, 2012 effective date, representing 11 months of collections for FY 2013.*
 - *Estimates reflect the September 2011 Economic & Revenue Forecast Council revenue forecast.*
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Expenditure Impact

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$800	\$10,700	\$11,500
