

## Impose PUT on home and community based services at 5.029%

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- Description**
- This proposal would subject home and community based service (HCBS) providers to public utility tax (PUT) at a rate of 5.029%.
  - PUT would be due on all income, including income from government sources.
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- Current Law**
- HCBS providers are subject to service and other activities B&O tax.
  - Because income from government sources (i.e., Medicare and Medicaid) is exempt, the tax applies only to income from private sources (e.g., insurance and out-of-pocket payments).
  - Public and private utility services are subject to PUT in lieu of B&O.
  - 5.029% is the highest PUT rate and applies to distribution of water.
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**Revenue Impact** General Fund Impact (\$ in millions):

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$0	\$ 20.8	\$20.8

*Notes:*

- *Estimates assume a July 1, 2012 effective date, representing 11 months of collections for FY 2013.*
  - *Estimates are based on 2008 data and will be updated when more current data is available.*
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**Expenditure Impact**

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
TBD	TBD	TBD

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