



FISCAL NOTE

House Bill 386

Committee: Ways and Means Education

Sponsor: Representative Danny Garrett

Analyst: Riley Aaron

Date: 03/05/2025

House Bill 386 as introduced would decrease sales and use tax receipts to the following funds by the following estimated annual amounts, beginning in Fiscal Year 2026, by reducing the state sales and use tax rate on food from 3%, as set by current law, to 2% on September 1, 2025.

Fund	Estimated Annual Loss
Education Trust Fund	\$121.6 million
State General Fund	\$281,750
Total	\$121.9 million