



## FISCAL NOTE

### House Bill 387

Committee: Finance and Taxation Education      Sponsor: Representative Danny Garrett

Analyst: Riley Aaron      Date: 04/30/2025

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**House Bill 387** as reported by the Committee on Finance and Taxation Education would decrease sales and use tax receipts to the following funds by the following estimated amounts, beginning in fiscal year 2026, by reducing the state sales and use tax rate on machinery from 1.5%, as set by current law, to 1.25% beginning September 1, 2025.

Fund	Estimated Annual Loss
Education Trust Fund	\$11.3 million
State General Fund	\$4.3 million
<b>Total</b>	<b>\$15.6 million</b>