



BILL/VERSION:	HB 1378 / ENGROSSED	ANALYST: MM
AUTHORS:	Rep. Humphrey/ Sen. Murdock	DATE: 2/26/2025
TAX(ES):	Sales and Use Tax	
SUBJECT(S):	Agricultural Exemption	
EFFECTIVE DATE:	Nov. 1, 2025	Emergency <input type="checkbox"/>

ESTIMATED REVENUE IMPACT:
FY26: Unknown decrease in state sales tax revenues.
FY27: Unknown decrease in state sales tax revenues.

ANALYSIS: The measure includes the production of timber, seedling production, and forestry management to the definition of agricultural products for the purpose of obtaining an agricultural sales tax exemption.

The measure does not provide definitions for the terms “timber”, “seedling production”, or “forestry management”, allowing a broad interpretation for each new term. The amount of land that is currently being used for timber production, seedling production, and forestry management is unknown, as are the number of additional agricultural permit holders that may be exempted by this measure. This results in an unknown decrease in annual state sales tax revenues.

3/4/25

 DATE

Huan Gong

 DR. HUAN GONG, CHIEF TAX ECONOMIST

3/4/25

 DATE

Marie Schuble

 MARIE SCHUBLE, DIVISION DIRECTOR

3/4/25

 DATE

Joseph P. Gappa

 JOSEPH P. GAPPA, FOR THE COMMISSION

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.