

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6917**

**BILL NUMBER:** HB 1294

**NOTE PREPARED:** Jan 12, 2008

**BILL AMENDED:**

**SUBJECT:** County Option Dog Tax on Kennels.

**FIRST AUTHOR:** Rep. Wolkins

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** The bill provides, for purposes of the county option dog tax, that a major kennel (which is subject to a maximum annual tax of \$50) is one in which more than 15 taxable dogs are kept for breeding, boarding, training, or sale and that a minor kennel (which is subject to a maximum annual tax of \$30) is one in which 15 or fewer taxable dogs are kept for breeding, boarding, training, or sale. (Under current law, the \$50 maximum applies to a kennel in which more than 6 taxable dogs are kept and the \$30 maximum applies to a kennel in which 6 or fewer taxable dogs are kept.)

**Effective Date:** July 1, 2008.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** *Summary-* Revenue transfers to Purdue University from local option dog taxes could be reduced slightly. (Currently, Purdue University School of Veterinary Science and Medicine receives 20% of the county option dog tax collections.)

**Background-** Transfers to Purdue from the dog tax occur every August. The state transferred approximately \$4,469.05 in dog taxes to Purdue in August 2007.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** The bill could reduce revenue collections in counties that have adopted an ordinance for the dog tax. Under current law, if the tax is collected by kennel size, a kennel that has more

than 6 taxable dogs would be taxed \$50 per year. If the kennel has not more than 6 taxable dogs, then the tax is \$30. The maximum tax per dog under current law cannot exceed \$5.

Therefore, if a taxpayer is paying the tax by kennel size, then kennels with more than 6 and less than 15 dogs would begin paying \$30 per year and not \$50.

**State Agencies Affected:** Purdue University.

**Local Agencies Affected:** Counties with a local dog tax.

**Information Sources:**

**Fiscal Analyst:** Chris Baker, 317-232-9851.