

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3283-03  
Bill No.: SB 800  
Subject: Taxation and Revenue - Sales and Use  
Type: Original  
Date: March 2, 2020

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Bill Summary: This proposal establishes the Personal Period Products and Diaper Sales Tax Relief Act.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
General Revenue	Less than or greater than (\$22,914,526)	Less than or greater than (\$30,552,701)	Less than or greater than (\$30,552,701)
<b>Total Estimated Net Effect on General Revenue</b>	<b>Less than or greater than (\$22,914,526)</b>	<b>Less than or greater than (\$30,552,701)</b>	<b>Less than or greater than (\$30,552,701)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 14 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Office of Administration - Budget & Planning Division (B&P)** state this proposal would reduce the state sales tax rate for feminine hygiene products and diapers from the current rate of 4.225% to the same rate as the levy on food beginning October, 1 2020. B&P notes that the state levy on food is equal to 1.225% and does not include the 3% tax that would otherwise be deposited into General Revenue (GR).

Based on research, B&P found that the average amount spent on diapers was \$550 to \$840 per year. Based on information from the University of Michigan Hospital, the average age until children are toilet trained is 2.5 years. Based on information provided by the Missouri Department of Health and Senior Services, the average number of births from 2016-2018 was 73,654.

Therefore, B&P estimates total sales of \$101,274,250 (73,654 children x 2.5 years x \$550) up to \$154,673,400 (73,654 children x 2.5 years x \$840) may be impacted by this proposal. B&P estimates that eliminating the GR portion of the state sales tax, would reduce Total State Revenue (TSR) and GR by \$3,038,228 to \$4,640,202 annually.

B&P notes, according to research completed by the CDC, approximately 25% of adults age 65 and up had moderate to severe urinary incontinence and 8% had moderate to severe bowel incontinence. B&P notes that according the United State Census 2018 population estimates there were approximately 1,033,964 individuals residing in Missouri age 65 and over.

Based on these numbers, B&P estimates that approximately 258,491 individual age 65 and over would utilize adult urinary incontinence diapers (1,033,964 \* 25%). B&P further estimates that approximately 82,717 individuals residing in Missouri age 65 and over would utilize adult bowel incontinence diapers (1,033,964 \* 8%).

Based on information from a budgeting website, the average cost for urinary incontinence diapers is \$160 to \$240 per month, for a yearly cost of \$1,920 to \$2,880. Further information from the budgeting website lists the average monthly bowel incontinence diapers is \$60 to \$180 per month, for a yearly cost of \$720 to \$2,160.

B&P estimates that total annual sales for urinary incontinence adult diapers would be approximately \$496,302,720 (258,491 people x \$1,920 annual cost) up to \$744,454,080 (258,491 people x \$2,880 annual cost).

ASSUMPTION (continued)

B&P further estimates that the total annual sales for bowel incontinence adult diapers would be \$59,556,326 (82,717 people x \$720 annual cost) up to \$178,668,979 (82,717 people x \$2,160 annual cost).

Therefore, B&P estimates that eliminating the GR portion of the state sales tax on adult diapers, would reduce TSR and GR by \$16,675,771 to \$27,693,692 annually.

B&P notes, based on information from multiple sites, B&P estimates that women purchase an average of 6.8 to 7.2 boxes of tampons and 1.7 to 1.8 boxes of pads and liners per year (using the average cycle length of 28 to 30 days), with an average price of \$7 to \$10 per box. B&P was also able to determine that the average age for menstruation is 13-51, and based on data provided by the U.S. Census bureau, there are approximately 1.5 million woman between those ages residing in Missouri.

Therefore, B&P estimates total sales of \$90,279,092 to \$138,182,283 may be impacted by this provision. B&P estimates that reducing the sales tax rate on feminine hygiene products from 3.225% to 1.225% will reduce TSR and GR by \$2,708,373 to \$4,145,468 annually.

B&P estimates that this proposal will reduce TSR and GR by \$16,816,779 to \$27,359,522 during Fiscal Year 2021. Once fully implemented in Fiscal Year 2022, this proposal will reduce TSR and GR by \$22,422,372 to \$36,479,362 annually.

Table 1: TSR/GR Reduction by Provision

Provision	FY 21		FY22	
	Low	High	Low	High
Diapers - Child	(\$2,278,671)	(\$3,480,152)	(\$3,038,228)	(\$4,640,202)
Diapers - Adult	(\$12,506,828)	(\$20,770,269)	(\$16,675,771)	(\$27,693,692)
Feminine Hygiene	(\$2,031,280)	(\$3,109,101)	(\$2,708,373)	(\$4,145,468)
<b>TSR/GR Loss</b>	<b>(\$16,816,779)</b>	<b>(\$27,359,522)</b>	<b>(\$22,422,372)</b>	<b>(\$36,479,362)</b>

**Oversight** notes B&P assumes this proposed legislation could reduce TSR and GR by an amount equal to \$16,816,779 to \$27,359,522 during Fiscal Year 2021 and by an amount equal to \$22,422,372 to \$36,479,362 when fully implemented in Fiscal Year 2022.

**Oversight** further notes, as this proposed legislation begins October 1, 2020 (Fiscal Year 2021), Fiscal Year 2021 only reports a reduction equal to nine months of Fiscal Year 2021 as the total current sales tax price would continue to be charged during the first three months of Fiscal Year 2021.

ASSUMPTION (continued)

Officials from the **Missouri Department of Revenue (DOR)** state, beginning October 1, 2020, the tax levied and imposed under Chapter 144 on all retail sales of feminine hygiene products, diapers, and incontinence products shall be levied at a rate that shall not exceed the sales tax levied on the retail sale of food.

DOR states information from numerous sources indicates that a women menstruates 500 times in her lifetime, usually between the ages of 13-51. The average length of a period is 3-7 days. Sources indicate that a woman uses the following:

	Number Per Cycle	Number Per Year	Number in Box	Boxes Per Year
Tampons	20	260	36	7.2
Pads/Panty Liners	5	65	36	1.8

Note: a woman has 13 cycles a year (28 day cycle)/352 days a year.

The price per tampons and pads vary. DOR used a low and high price when determining the fiscal impact.

	Price Low	Price High	Total Cost Low	Total Cost High
Tampons	\$7	\$10	\$50.56	\$72.22
Pads/Panty Liners	\$7	\$10	\$12.64	\$18.06
Total Price			\$63.20	\$90.28

Using information from the US Census Bureau, DOR calculated the number of women in Missouri as 1,556,248.

This would result in a cost of:

	Total Cost Low	Total Cost High
Total Estimated Cost Per Year	\$98,346,228	\$140,494,611
GR Portion	\$2,950,387	\$4,214,838

This proposal begins October 1, 2020 (Fiscal Year 2021). DOR shows a lesser loss to GR in Fiscal Year 2021 because there are three months in Fiscal Year 2021 in which feminine products would remain applicable to have the full amount of state sales tax collected.

ASSUMPTION (continued)

Feminine Hygiene Impact

Fiscal Year	Low Impact	High Impact
2021 (9 months)	\$2,212,790	\$3,161,129
2022	\$2,950,387	\$4,214,838
2023	\$2,950,387	\$4,214,838

DOR notes, the average child wears diapers for three years before becoming fully toilet trained. DOR found the price of diapers vary from \$0.15 per diaper for generic diapers to \$0.30 for name brand diapers. Estimates by various children's organizations indicate that an infant in the first year of life goes through 2,500 diapers. The next two years as toddlers, they go through 1,500 diapers annually.

Wearing Diapers	How Many	Low Price Per Diaper	High Price Per Diaper	Total Cost Low	Total Cost High
First Year	2,500	0.15	0.3	\$375	\$750
Second Year	1,500	0.15	0.3	\$225	\$450
Third Year	1,500	0.15	0.3	\$225	\$450

Based on the Department of Health and Senior Services, the average number of births from 2014-2016 was 74,937. Given that 3 years' worth of children are wearing diapers in any one year (1 set of infants and 2 sets of toddlers)

Births Annually	74,937
# of Kids in Diapers Annually	224,811
# of Diapers Annually	
Infant	187,342,500
Toddler (2yrs)	224,811,000
Total	412,153,500

DOR assumes this would eliminate the GR portion of the sales tax:

	Tax Rate	Low Price Collected	High Price Collected
Current Rate	3%	1,854,691	\$3,709,382

**ASSUMPTION** (continued)

**Oversight** notes DOR anticipates the reduction in the sales tax rate for child diapers would reduce GR by an amount equal to \$1,854,691 to \$3,709,382 annually. Oversight further notes only nine months of Fiscal Year 2021 would be impacted by this proposed legislation. Therefore, of the estimates provided by DOR specific to children diapers, Oversight estimates Fiscal Year 2021 would experience a loss to GR equal to \$1,391,018 to \$2,782,037. Oversight assumes, based on DOR's estimates, when fully implemented in Fiscal Year 2022, and each year thereafter, GR would be reduced by an amount equal to \$1,854,691 to \$3,709,382.

**DOR** states approximately one third of adults age 65 and older have moderate to severe urinary incontinence and 6 percent had moderate to severe bowel incontinence. According the United State Census 2018 population, 1,035,074 individuals residing in Missouri were 65 or over. DOR notes it is estimated that people with minor to moderate incontinence wear approximately 4 diapers per day while those with those with full urinary or fecal incontinence wear 6 diapers per day. DOR estimates that approximately 196,665 individuals aged 65 and over would utilize the four adult urinary incontinence diapers while 62,104 would wear 6 adult diapers daily.

The average cost for urinary incontinence diapers is \$1.31 per diaper.

Number of People	# of Diapers	Days per Year	Total Diapers	Price Per Diaper	Total Sales
196,664	4	365	1460	\$1.31	\$376,139,566
62,104	6	365	2190	\$1.31	\$178,170,166
Total					\$554,309,732

	Tax Rate	Tax Collected
Current Rate	3%	\$16,629,292

**Oversight** notes DOR anticipates the reduction in the sales tax rate for adult diapers would reduce GR by an amount equal to \$16,629,292 annually. Oversight further notes only nine months of Fiscal Year 2021 would be impacted by this proposed legislation. Therefore, of the estimates provided by DOR, specific to adult diapers, Oversight estimates GR could experience a loss equal to \$12,471,969 in Fiscal Year 2021. Oversight assumes, based on DOR's estimates, when fully implemented in Fiscal Year 2022, and each year thereafter, GR would be reduced by an amount equal to \$16,629,292.

ASSUMPTION (continued)

**DOR** states this proposal says this sales tax exemption would begin October 1, 2020 which would result in a 9 month impact to Fiscal Year 2021.

Fiscal Year	General Revenue Low Impact	General Revenue High Impact
FY 2021	\$16,075,778	\$18,415,134
FY 2022	\$21,434,370	\$24,553,512
FY 2023	\$21,434,370	\$24,553,512

**Oversight** notes DOR assumes this proposed legislation could reduce TSR and GR by an amount equal to 16,075,778 to \$18,415,134 during Fiscal Year 2021 and by an amount equal to \$21,434,370 to \$24,553,512 when fully implemented in Fiscal Year 2022 and each year thereafter.

Officials from the **Missouri Department of Conservation (MDC)** assume an unknown fiscal impact but greater than \$100,000. The Conservation Sales Tax funds are derived from one-eighth of one percent sales and use tax pursuant to Article IV Section 43 (a) of the Missouri Constitution. Any change in sales and use tax collected would affect revenue to the Conservation Sales Tax funds. However, the initiative is very complex and may require adjustments to Missouri sales tax law which could cause some downside risk to the Conservation Sales Tax. MDC assumes the Department of Revenue would be better able to estimate the anticipated fiscal impact that would result from this proposal.

**Oversight** notes MDC's Conservation Commission Fund (0609) receives one-eighth of one percent of the revenues generated from sales and use tax. Oversight will report the impact to the Conservation Commission Fund as reported by B&P and DOR.

Officials from the **Missouri Department of Natural Resources (DNR)** state creating a change in the taxation of feminine hygiene products, diapers, and incontinence products at a rate not to exceed the sales tax levied on the retail sale of food could decrease the amount of funding available in the Parks and Soils Sales Tax Funds for long term operation of Missouri's state parks and historic sites and assistance to agricultural landowners through volunteer programs.

DNR'S Parks and Soils Sales Tax Funds are derived from one-tenth of one percent sales and use tax pursuant to Article IV Section 47(a) of the Missouri Constitution. Therefore, the sales tax exemption could result in an unknown loss to the Parks and Soils Sales Tax Funds.



ASSUMPTION (continued)

**Oversight** notes DNR's Parks and Soils State Sales Tax Funds (0613 & 0614) receives one-tenth of one percent of the revenues generated from sales and use tax. Oversight will report the impact to the Parks and Soils State Sales Tax Fund(s) as reported by B&P and DOR.

**Oversight** notes this proposal would reduce the tax rate imposed on feminine products, diapers and incontinence products from 4.225% to 1.225% (statutory rate of 1% for education and rates applied by Missouri constitution equal to .125% - Conservation and .1% - Parks and Soils). Therefore, Oversight assumes this proposed legislation would not impact the sales tax revenues received by MDC and DNR and both would continue to retain their sales tax funding. Oversight further assumes this proposed legislation would only impact GR. Therefore, for the purposes of this fiscal note, Oversight will not show an impact to MDC or DNR.

Officials from the **City of Columbia (Columbia)** state, depending on the number of births to parents living in Columbia and the number of residents with incontinence problems, Columbia could see some decline in sales tax revenue.

**Oversight** notes the **City of Kansas City** and the **City of O'Fallon** have stated the proposed legislation would not have a direct fiscal impact on their respective cities. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these cities.

**Oversight** is unaware of the direct fiscal impact local political subdivisions might recognize as a result of this proposed legislation. Oversight assumes this proposed legislation would reduce the state portion of the sales tax collected on feminine hygiene products, diapers and incontinence products. Oversight assumes various political subdivisions are permitted to levy a sales tax on the retail sale of food greater than that of the state sales tax rate. Therefore, for purpose of this fiscal note, Oversight will report a zero fiscal impact to local political subdivisions.

As this proposed legislation relates to children's diapers, **Oversight** notes, per Stanford Children's Health, most children can not control their bowel or bladder until they reach 24 to 30 months old. For purposes of this fiscal note, Oversight will assume all children can not control their bowel or bladder until the higher of the two estimates, 30 months (2.5 years) in order to provide the estimated maximum reduction to GR as a result of this proposed legislation, specific to children's diapers.

Per a study completed by the National Center for Biotechnology Information, part of the United States National Library of Medicine, a branch of the National Institutes of Health, an "adequate supply of diapers cost an average \$18 per week or \$936 per year."

ASSUMPTION (continued)

**Oversight** notes, per information published by the Missouri Department of Health and Senior Services, the five year average number of live births totals 74,222 (2014 - 2018).

**Oversight** assumes, if the rate of sales tax imposed on children's diapers is reduced to the rate imposed on the retail sale of food (4.225% to 1.225%), TSR and GR could be reduced by an amount equal to \$5,210,356 when fully implemented ((74,222 live births \* 2.5 years in diapers \* \$936 total children diaper cost per year) \* 3%).

**Oversight** notes this proposed legislation would begin October 1, 2020. Therefore, Oversight assumes only nine months of Fiscal Year 2021 will be impacted by this proposed legislation. Oversight assumes TSR and GR would be reduced by an amount equal to \$3,907,767 in Fiscal Year 2021 as it relates to children's diapers.

As it relates to adult incontinence products, **Oversight** notes, based on a study done by the National Center for Biotechnology Information, part of the United States National Library of Medicine, a branch of the National Institutes of Health, approximately 6.4% of men aged 50 and above experience urinary incontinence while 19.8 percent of women aged 50 and above experience urinary incontinence. Furthermore, per the same study, 8.4% of men aged 50 and above experience fecal incontinence and 8.2% of women aged 50 and above experience fecal incontinence.

Per the Missouri Census Data Center, there are approximately 2,245,254 individuals residing in Missouri aged 50 years and older of which 1,045,836 are men and 1,199,418 are women.

Therefore, Oversight assumes 66,934 men in Missouri experience urinary incontinence (1,045,836 \* 6.4%) and 237,485 women in Missouri experience urinary incontinence (1,199,418 \* 19.8%) for a total of 304,418 (66,934 + 237,485) individuals residing in Missouri experiencing urinary incontinence.

Oversight further assumes 87,850 men in Missouri experience fecal incontinence (1,045,836 \* 8.4%) and 98,352 women in Missouri experience fecal incontinence (1,199,418 \* 8.2%) for a total of 186,203 (87,850 + 98,352) individuals residing in Missouri experiencing fecal incontinence.

Per Idiaper.com, urinary incontinence diapers can cost as low as \$160 a month to \$240 a month for an annual total of \$1,920 to \$2,880.

ASSUMPTION (continued)

Per Idiaper.com, fecal incontinence diapers can cost as low as \$60 a month to \$180 a month for an annual total of \$720 to \$2,160.

Therefore, **Oversight** estimates annual urinary incontinence sales in Missouri could amount to \$584,484,480 (304,419 individuals \* \$1,920) to \$876,726,720 (304,419 individuals \* \$2,880).

Furthermore, **Oversight** estimates annual fecal incontinence sales in Missouri could amount to \$134,066,160 (186,203 individuals \* \$720) to \$402,198,480 (186,203 individuals \* \$2,160).

**Oversight** estimates the low combined sales for urinary and fecal incontinence diapers could amount to \$718,550,640 (\$584,484,480 + \$134,066,160). Oversight further estimates the high combined sales for urinary and fecal incontinence diapers could amount to \$1,278,925,200 (\$876,726,720 + \$402,198,480).

When eliminating the GR portion of the sales tax levied on incontinence products, **Oversight** estimates TSR and GR could be reduced by \$21,556,519 to \$38,367,756 when fully implemented.

**Oversight** notes this proposed legislation would begin October 1, 2020. Therefore, Oversight assumes only nine months of Fiscal Year 2021 will be impacted by this proposed legislation. Oversight assumes TSR and GR would be reduced by an amount equal to \$16,167,389 to \$28,775,817 (total estimated cost \* (9/12)) in Fiscal Year 2021 as it relates to incontinence products.

As it relates to feminine hygiene products, **Oversight** notes that one source indicates that women who uses such products spends approximately \$443 on panty liners and \$1,773 on tampons within their lifetime. Therefore, Oversight assumes women spend approximately \$2,216 on tampons and panty liners throughout their lives (\$443 + \$1,773).

The same source indicated that women who use these products begin using at the age of 13 and stop using them at the age of 51, for a total of 38 years.

The Missouri Census Data Center assumes there is approximately 1,510,729 women between the ages of 13 and 51 residing in Missouri.

**Oversight** estimates that if women spends \$2,216 on tampons and panty liners within their lifetime (estimated 38 years), they would spend approximately \$58.32 each year (\$2,216 / 38).

**ASSUMPTION** (continued)

If each women spends \$58.32 on tampons and panty liners each year, the sales of tampons and panty liners would total \$88,099,354 each year ( $\$58.32 * 1,510,729$ ).

**Oversight** estimates that eliminating the GR portion of the sales tax on tampons and panty liners, would be reduce GR by an amount equal to \$2,642,981 ( $\$88,099,354 * 3\%$ )

**Oversight** notes another source indicated women spend approximately \$120 per year on pads and tampons.

Oversight estimates, if each women within the ages of 13 and 51 spend \$120 per year on tampons and pads, total sales for such products would total \$181,287,480 ( $\$120 * 1,510,729$ ).

**Oversight** estimates that eliminating the GR portion of the sales tax on tampons and pads would reduce GR by an amount equal to \$5,438,624 ( $\$181,287,480 * 3\%$ ).

**Oversight** notes this proposed legislation would begin October 1, 2020. Therefore, Oversight assumes only nine months of Fiscal Year 2021 will be impacted by this proposed legislation. Oversight assumes TSR and GR would be reduced by an amount equal to \$1,982,236 to \$4,078,968 (total estimated cost \* (9/12)) in Fiscal Year 2021, as it relates to feminine hygiene products.

**Oversight** assumes this proposed legislation could reduce GR by an amount up to \$22,057,392 to \$36,762,552 in Fiscal Year 2021. Oversight notes only nine months of Fiscal Year 2021 would be impacted if this proposed legislation was enacted. Therefore, Oversight estimates this proposed legislation could reduce GR by an amount up to \$29,409,856 to \$49,016,736 when fully implemented.

**Oversight** provides a summary of the (fully implemented) revenue reduction(s), per provision, per entity below:

Provision	Estimated Revenue Reduction/Provision/Entity					
	B&P		DOR		Oversight	
Children's Diapers	\$3,038,228	\$4,640,202	\$1,854,691	\$3,709,382	\$5,210,356	\$5,210,356
Incontinence Products	\$16,675,771	\$27,693,692	\$16,629,292	\$16,629,292	\$21,556,519	\$38,367,756
Feminine Hygiene	\$2,708,373	\$4,145,468	\$2,950,387	\$4,214,838	\$2,642,981	\$5,438,624
<b>Total</b>	<b>\$22,422,372</b>	<b>\$36,479,362</b>	<b>\$21,434,370</b>	<b>\$24,553,512</b>	<b>\$29,409,856</b>	<b>\$49,016,736</b>

ASSUMPTION (continued)

**Oversight** notes, since there are many data sets and various sources of information that allow for a number of analyses to be created, Oversight has averaged the estimate(s) provided by B&P, DOR and Oversight. Oversight will use the average when reporting the revenue reduction to GR. Oversight will report nine months of the average in Fiscal Year 2021.

Provision	Average of Estimated Revenue Reduction(s)	
	Average	9 months
Children's Diapers	\$3,943,869	\$2,957,902
Incontinence Products	\$22,925,387	\$17,194,040
Feminine Hygiene	\$3,683,445	\$2,762,584

<b>Total</b>	<b>\$30,552,701</b>	<b>\$22,914,526</b>
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FISCAL IMPACT - State Government

FY 2021  
(9 Mo.)

FY 2022

FY 2023

**GENERAL REVENUE FUND**

Revenue Reduction - Section 144.016 -  
 Reduction in sales tax rate imposed on  
 feminine hygiene products, children's  
 diapers and adult incontinence products

Less than or  
 greater than  
(\$22,914,526)

Less than or  
 greater than  
(\$30,552,701)

Less than or  
 greater than  
(\$30,552,701)

**ESTIMATED NET EFFECT ON  
 GENERAL REVENUE FUND**

**Less than or  
 greater than  
(\$22,914,526)**

**Less than or  
 greater than  
(\$30,552,701)**

**Less than or  
 greater than  
(\$30,552,701)**

FISCAL IMPACT - Local Government

FY 2021  
(9 Mo.)

FY 2022

FY 2023

**\$0**

**\$0**

**\$0**

FISCAL IMPACT - Small Business

This proposed legislation could impact any small business that provides for retail sale, feminine hygiene products, children's diapers and incontinence products, as they would be required to update the rates charged on such products. (Section 144.016).

### FISCAL DESCRIPTION

This act establishes the Personal Period Products and Diaper Sales Tax Relief Act.

Beginning October 1, 2020, this act provides that the rate of sales tax imposed on the retail sale of feminine hygiene products, diapers, and incontinence products, as defined in the act, shall not exceed the rate of sales tax imposed on the retail sale of food. (Section 144.016)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Office of Administration - Budget & Planning Division  
Missouri Department of Revenue  
Missouri Department of Conservation  
Missouri Department of Natural Resources  
City of O'Fallon  
City of Kansas City  
City of Columbia



Julie Morff  
Director  
March 2, 2020



Ross Strobe  
Assistant Director  
March 2, 2020