

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2710

**DATE:** March 29, 2004

**Version:** As introduced

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**Subject:** Removes the sunset on the sales tax exemption for ready-to-eat meat and seafood

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In 2001, the legislature adopted a new definition of "prepared food" as one of the initial steps to bring the state into conformity with the Streamlined Sales Tax Project (SSTP) definitions. The new definition moved bakery products, and ready-to-eat meat and seafood sold by weight or volume from the definition of exempt food, to taxable prepared food. SSTP modified the required prepared food definition in the fall of 2001, to allow the exclusion of bakery products but not the ready-to-eat meats. The 2002 legislature adopted the exclusion for bakery products and also adopted a temporary exclusion for the ready-to-eat meats and seafood. The temporary exclusion ends after December 31, 2005.

This bill removes the expiration date on the temporary exclusion for ready-to-eat meat and seafood sold by weight and volume. Although the SSTP definition of prepared food does not allow this exclusion, this will not change the state's status vis-à-vis SSTP because the state has still not adopted certain other law changes needed for full compliance with the SSTP agreement.