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To: The Honorable Donovan M. Dela Cruz, Chair;
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair;
and Members of the Senate Committee on Ways and Means

From: Rona M. Suzuki, Director
Department of Taxation

**Re: S.C.R. 235, Requesting the Department of Taxation to Conduct
a Revenue Loss Analysis of Medical and Grocery Excise Tax Exemptions
for Retired Senior Citizens Aged Sixty Years and Older**

Date: Tuesday, March 17, 2020

Time: 10:35 A.M.

Place: Conference Room 211, State Capitol

The Department of Taxation (Department) supports the intent of S.C.R. 235.

S.C.R. 235 requests the Department to conduct a revenue loss analysis of medical and grocery excise tax exemptions for retired senior citizens aged sixty years and older. It also requests the Department to submit a report of its findings and recommendations, including any proposed legislation to implement the general excise tax (GET) exemption, to the Legislature no later than 20 days prior to the convening of the 2021 session.

The Department will be able to provide an estimated revenue loss of medical and grocery excise tax exemptions for retired senior citizens aged sixty years and older by 20 days prior to the convening of the 2021 session. Existing resources will be able to complete the requested analysis if this measure is adopted.

Thank you for the opportunity to provide comments.