



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

March 6, 2025

Honorable Chuck Hufstetler
Chairman, Senate Finance
121-C State Capitol
Atlanta, GA 30334

SUBJECT: Fiscal Note
Senate Bill 297 (LC 50 1183)

Dear Chairman Hufstetler:

The bill would create a sales and use tax exemption for menstrual discharge collection devices. These include, but are not limited to, tampons, panty liners, menstrual cups, pads, and other similar tangible personal property designed for use in connection with the human menstrual cycle. The bill does not specify an effective date, but for purposes of the fiscal note, the exemption is assumed to be effective July 1, 2025.

Impact on Revenue

Georgia State University’s Fiscal Research Center (FRC) estimated that the bill would decrease state and local revenue as shown in Table 1. The appendix provides details of the analysis.

Table 1. Estimated State and Local Revenue Effects from LC 50 1183

(\$ millions)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
State Estimate	(\$6.9)	(\$7.2)	(\$7.4)	(\$7.6)	(\$7.9)
Local Estimate	(\$5.9)	(\$6.1)	(\$6.3)	(\$6.5)	(\$6.7)

Impact on Expenditures

The Department of Revenue would be able to implement the provisions of the bill with existing resources.

Respectfully,

Greg S. Griffin
State Auditor

Richard Dunn, Director
Office of Planning and Budget

GSG/RD/mt

Analysis by the Fiscal Research Center

According to Statista, the total U.S. market for feminine hygiene products in 2024 was estimated to be \$4.94 billion. Sharing that amount down to Georgia based on the state’s share of the U.S. population of females in the 10–64 age group (approximately 3.4 percent, according to 2023 U.S. Census Bureau estimates), sales in the state for 2024 are estimated to be approximately \$170 million. That amount is assumed to grow with inflation and the Georgia female population to the amounts shown in Table 2 below for FY 2026–30. Inflation rates assumed are those forecasted by the Congressional Budget Office in January 2025, 2.3 percent per year on average through 2030. Population-growth estimates for females in Georgia are taken from the Office of Planning and Budget, an average of approximately 1 percent per year through 2030.

Table 2. Estimated Exempt Sales from LC 50 0979

<i>(\$ millions)</i>	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Exempt Sales	\$173.0	\$179.1	\$185.1	\$191.1	\$197.3

Resulting projected revenue losses to the state and to local governments are provided in Table 1, with local revenues calculated at 3.42 percent, the population-weighted average local rate as of January 1, 2025, according to the Tax Foundation.