



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

January 27, 2025

Honorable Nabilah Islam Parkes
State Senator
320-B Coverdell Legislative Office Building
Atlanta, GA 30334

SUBJECT: Fiscal Note
Senate Bill (LC 59 0032)

Dear Senator Islam Parkes:

The bill would make the sale of menstrual hygiene products exempt from state and local sales taxes. The bill has no effective date.

Impact on State Revenue

Georgia State University’s Fiscal Research Center 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 59 0032

(\$ millions)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
State	(\$6.9)	(\$7.2)	(\$7.4)	(\$7.6)	(\$7.9)
Local	(\$5.8)	(\$6.1)	(\$6.3)	(\$6.5)	(\$6.7)

Impact on State Expenditures

The Department of Revenue can 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 population share of the 10–64 female age group in the 2023 U.S. Census (approximately 3.4 percent), Georgia sales 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 state FY 2026–30. Inflation is assumed to grow at the rates currently forecast by the Congressional Budget Office in January 2025. Population-growth estimates for females in Georgia are taken from the Office of Planning and Budget (2024 vintage estimates).

Table 2. Estimated Exempt Sales

(\$ millions)	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 3.46 percent, the population-weighted average local rate as of July 1, 2024, according to the Tax Foundation. The total revenue lost at the state level for the FY 2026–30 period is estimated to be \$37.0 million at an annual average of \$7.4 million. The total revenue lost at the state and local level is estimated to be \$68.3 million over the same period at an average of \$13.7 million per year.