

**HB 2871 STAFF MEASURE SUMMARY**

**House Committee On Revenue**

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**Prepared By:** Kyle Easton, Senior Economist

**Meeting Dates:** 2/13

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**WHAT THE MEASURE DOES:**

Requires businesses receiving at least twenty percent of gross receipts from public contracts during the tax year to submit with applicable income and/or corporate activity tax return, statement of amount of public contracts received during the tax year. Requires additional statement detailing amount of public contracts received in current and previous two tax years combined. Requires statements to be written in plain language and certified by authorized business personnel. Requires Department of Revenue to make submitted statements publicly available. Defines terms. Applies to tax years beginning on or after January 1, 2028.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Measure defines "public contract" to include the sale, purchase, lease, rental or other acquisition by a public body of personal property, services, public improvements/works, minor alterations and ordinary repair or maintenance. "Public body" is defined to include state government, local government and special government bodies. Examples of public body include state government, cities, counties, local service districts, school districts, community colleges and public universities.