

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3529-01
Bill No.: HB 1074
Subject: Motor Vehicles; Revenue Department; Taxation and Revenue.
Type: Original
Date: December 27, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Revenue** and **Department of Social Services** each assume this proposal would have no fiscal impact on their respective agencies.

In response to a similar proposal from the 2005 session (HB 449), officials with the **Office of Administration – Division of Budget and Planning (BAP)** assumed that the Department of Revenue currently exempts from sales tax items used to build or modify vehicles for use by individuals with disabilities, and that this proposal clarifies the exemptions. Thus, BAP assumed no impact on state revenue or its own operations.

Oversight assumes this proposal clarifies an existing sales tax exemption and, therefore, would have no impact on Total State Revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2007
(10 Mo.)

FY 2008

FY 2009

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

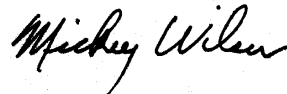
DESCRIPTION

This bill specifies that the purchase price for calculating sales tax of a motor vehicle excludes the cost to modify the vehicle to make it handicapped accessible.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Health and Senior Services
Department of Social Services
Office of Administration



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Director
December 27, 2005