

Fiscal Analysis

EARMARK VEHICLE RELATED USE TAX REVENUE



Bill/Sponsor **HOUSE BILL 4153 AS INTRODUCED**, Rep. Jerry O. Kooiman

House Committee Transportation

Analysis

Summary

House Bill (HB) 4153 would amend the Use Tax Act to earmark not less than 27.9% of 25% of the total collections on motor vehicle related items at the 4% rate to the Comprehensive Transportation Fund (CTF). The use tax collections at the 4% rate that apply directly or indirectly to the sale of motor vehicles would include use tax collections on the lease of motor vehicles, and on the sale of the parts and accessories of motor vehicles by new and used car businesses, used car businesses, accessory dealer businesses, and gasoline station businesses.

Fiscal Impact

Currently, the additional 2% of use tax revenue is constitutionally earmarked to the School Aid Fund, while the first 4% is General Fund/General Purpose (GF/GP) revenue. This bill would earmark an estimated \$16 to \$20 million to the CTF in fiscal year (FY) 2003-04. In addition, in FY 2003-04, General Fund/General Purpose (GF/GP) revenue would decrease by an estimated \$16 to \$20 million.

Analyst(s)

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