

DEPARTMENT OF TAXATION

2001 Fiscal Impact Statement

1. **Patron:** Parrish

3. **Committee:** Senate Finance

4. **Title:** Tangible Personal Property Tax:
Motor Vehicles Owned or Leased by
Auxiliary Deputy Sheriffs

2. **Bill Number:** HB 1752

House of Origin:

 Introduced

 Substitute

 Engrossed

Second House:

 X **In Committee**

 Substitute

 Enrolled

5. **Summary/Purpose:**

This bill would reclassify motor vehicles (i) owned by persons who serve as auxiliary, reserve or special deputy sheriffs or (ii) leased by persons who serve as auxiliary, reserve or special deputy sheriffs if the person is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle, to be in a separate class of tangible personal property. One motor vehicle that is regularly used by each auxiliary deputy sheriff to respond to auxiliary deputy sheriff duties is eligible to be specially classified under this section.

As a result of this reclassification, localities would be authorized to impose a tangible personal property tax on motor vehicles owned or leased by auxiliary, reserve or special deputy sheriffs at a rate of tax and rate of assessment which does not exceed that applicable to the general class of tangible personal property in the locality.

The effective date of this bill is not specified.

6. **Fiscal Impact Estimates are:** Not Available (See Line 8).

7. **Budget amendment necessary:** No.

8. **Fiscal implications:**

This bill would have no impact on state revenues. Localities would experience a decrease in revenues to the extent that the tax rate and rate of assessment imposed on motor vehicles owned or leased by auxiliary, reserve or special deputy sheriffs are reduced below the tax rate and rate of assessment imposed on property in the general class of tangible personal property.

9. **Specific agency or political subdivisions affected:**

All Localities

10. Technical amendment necessary: No.

11. Other comments:

Motor vehicles owned or leased by auxiliary, reserve or special deputy sheriffs are currently classified in the general class of tangible personal property and localities are authorized to impose a tangible personal property tax on them at the same rate of tax and rate of assessment as imposed on property in the general class of tangible personal property.

The special classification created by this bill for motor vehicles owned or leased by auxiliary, reserve or special deputy sheriffs is similar to the special classification currently provided for motor vehicles owned or leased by members of a volunteer rescue squad or volunteer fire squad.

c: Secretary of Finance

Date: 2/6/01/JEM

