

## Department of Planning and Budget 2017 Fiscal Impact Statement

**1. Bill Number:** SB1456

**House of Origin**    ☐ Introduced    ☒ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Wagner

**3. Committee:** Finance

**4. Title:** Motor vehicle fuels sales tax in certain transportation districts; price floor.

**5. Summary/Purpose:** This bill places a floor on the 2.1 percent tax imposed on motor vehicle fuels sold in Northern Virginia and Hampton Roads by ensuring that the tax is not imposed on a sales price less than the statewide average sales price on February 20, 2013, which is the date used as a floor on the statewide motor vehicle fuels sales tax.

**6. Budget Amendment Necessary:** Yes, to Item 456. An appropriation adjustment should be reflected in service areas 60706, Distribution of Northern Virginia Transportation Authority Fund Revenues, and 60707, Distribution of Hampton Roads Transportation Fund Revenues.

**7. Fiscal Impact Estimates:** Preliminary. See Item #8.

**7b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>	<i>Dollars</i>	<i>Fund</i>
2017	-	-	-	-
2018	14,100,000	Hampton Roads	26,500,000	NVTD, PRTC*
2019	19,900,000	Hampton Roads	37,300,000	NVTD, PRTC
2020	19,600,000	Hampton Roads	36,700,000	NVTD, PRTC
2021	19,300,000	Hampton Roads	36,200,000	NVTD, PRTC
2022	18,900,000	Hampton Roads	35,400,000	NVTD, PRTC

*\* Northern Virginia Transportation District; Potomac and Rappahannock Transportation Commission*

**8. Fiscal implications:** The Department of Motor Vehicles, which administers the Motor Vehicle Fuels Sales Tax, estimates that it will incur between \$55,000 and \$60,000 in expenses, including vendor charges, to make the systems changes necessary to implement the provisions of this legislation. These costs can be absorbed within existing resources.

The revenue impact estimate for FY 2018 reflects a 10-month effect. The additional funding would be remitted to the regional authorities through the existing process.

**9. Specific agency or political subdivisions affected:** Department of Motor Vehicles; Department of Transportation; localities in the Northern Virginia Transportation District and Hampton Roads area where the tax is imposed.

**10. Technical amendment necessary:** No.

**11. Other comments:** None.

Date: 2/1/2017

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cc: Secretary of Transportation