

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: HB1679

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Orrock

3. Committee: Finance

4. Title: All-terrain vehicles (ATVs), mopeds, and off-road motorcycles; clarifies taxation on vehicles, etc.

5. Summary: This bill clarifies the taxation of all-terrain vehicles, mopeds, and off-road motorcycles and provides that vehicles that qualify as farm equipment that is exempt from sales and use tax shall be exempt from the motor vehicle sales and use tax. The bill contains technical amendments.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: Since this bill is comprised primarily of technical amendments, the only provision expected to have a fiscal impact would be the exemption from tax for vehicles which previously qualified for an agricultural exemption under the retail sales tax. The Department of Motor Vehicles (DMV) cannot estimate how many vehicles would qualify for the exemption, as the Department of Taxation keeps no record of the sales of exempt vehicles. Because this exemption would have applied to the sale of these vehicles prior to October 1, 2018, DMV anticipates the revenue impact to be minimal.

9. Specific Agency or Political Subdivisions Affected: Department of Motor Vehicles.

10. Technical Amendment Necessary: No.

11. Other Comments: None

Date: 1/23/2019

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Cc: Secretary of Transportation