

Department of Planning and Budget 2023 Fiscal Impact Statement

1. **Bill Number:** SB1057

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. **Patron:** Hanger, Jr.

3. **Committee:** Finance and Appropriations

4. **Title:** Farm use placards

5. **Summary:** This bill delays the requirement for vehicles claiming a farm use exemption to obtain a farm use placard from the Department of Motor Vehicles and display such placard from July 1, 2023, to January 1, 2024. The bill exempts vehicles requiring permanent farm use placards from the Motor Vehicle Sales and Use Tax. The bill exempts trailers and semitrailers from the requirement to display a farm use placard. The bill removes certain requirements on the application for a farm use placard, prohibits requesting additional information on such application, and prohibits disclosure of application information for certain purposes. The bill clarifies that certain farm use exemptions apply to all pickup and panel trucks, sport utility vehicles, and trailers or semitrailers, not just those having a gross vehicle weight greater than 7,500 pounds. The bill authorizes the use of an agricultural or horticultural vehicle for disposing of incidental refuse and a seasonal transportation vehicle for driving to a storage house, packing plant, or market regardless of distance. The bill clarifies that the exemption for transporting back to a farm essential food includes procuring a meal for a farmer or his employees and that such exemption applies while engaged in authorized farm vehicle uses.

6. **Budget Amendment Necessary:** No.

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

8. **Fiscal Implications:** The proposed motor vehicle sales tax exemption is limited to vehicles required to obtain a farm use placard. Since these vehicles aren't currently required to be registered, a state fiscal impact from the exemption is indeterminate.

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

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** This bill is a companion to HB 1806.