

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1190-01
Bill No.: Perfected HB 488
Subject: Motor Vehicles; Revenue Dept.; Taxation and Revenue - Income
Type: Original
Date: March 7, 2007

Bill Summary: Would provide a tax credit for the use of idle reduction technology.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue *	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on General Revenue Fund *	(Unknown)	(Unknown)	(Unknown)

* Unknown less than \$15,000,000 per year and less than \$30,000,000 in total.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Natural Resources** assume this proposal would have no fiscal impact on their organization.

In response to a previous version of this proposal, the **Department of Revenue** and the **Department of Transportation** assumed this proposal would have no fiscal impact on their organizations.

Oversight assumes the proposal would create an unknown reduction in income tax collections in the General Revenue Fund beginning in FY 2008. None of the agencies responding to our request for information provided an estimate of tax credits which might be claimed if the proposal was enacted. Although the proposal includes a limitation of \$15 million per year and \$30 million over the life of the program, Oversight is unable to determine if the amount of tax credits claimed would exceed those limits.

<u>FISCAL IMPACT - State Government</u>	FY 2008	FY 2009	FY 2010
	(10 Mo.)		

GENERAL REVENUE FUND

Cost - Department of Revenue

Tax credit for adoption of idle reduction technology on class 8 trucks *	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE FUND *	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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* Unknown less than \$15,000,000 per year and less than \$30,000,000 in total.

<u>FISCAL IMPACT - Local Government</u>	FY 2008	FY 2009	FY 2010
	(10 Mo.)		

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

This proposal would have a direct fiscal impact to small businesses which use class 8 trucks.

FISCAL DESCRIPTION

This proposal would provide a tax credit for the use of idle reduction technology.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Natural Resources
Department of Revenue
Department of Transportation

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style.

Mickey Wilson, CPA
Director
March 7, 2007