

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

---

Prepared By: The Professional Staff of the Appropriations Subcommittee on Finance and Tax

---

BILL: SB 654

INTRODUCER: Senator Latvala

SUBJECT: Transportation

DATE: March 19, 2017

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Price	Miller	TR	<b>Favorable</b>
2.	Gross	Diez-Arguelles	AFT	<b>Recommend: Favorable</b>
3.			AP	

---

**I. Summary:**

SB 654 shifts the distribution of the annual license taxes imposed on certain motor vehicle registrations from the General Revenue Fund to the State Transportation Trust Fund.<sup>1</sup> Beginning in Fiscal Year 2019-2020, 50 percent of the portion of the annual license tax that is deposited into the General Revenue Fund is shifted to the State Transportation Trust Fund; in Fiscal Year 2020-2021, the remaining 50 percent is also shifted.

The Revenue Estimating Conference estimates that this bill reduces General Revenue Fund receipts by \$57.6 million in Fiscal Year 2019-2020 and \$125.2 million in Fiscal Year 2020-2021 and thereafter. The bill increases State Transportation Trust Fund receipts by the same amounts as General Revenue Fund receipts are reduced.

This bill takes effect on July 1, 2019.

**II. Present Situation:**

Section 320.08, F.S., imposes annual license taxes for the operation of motor vehicles, mopeds, motorized bicycles, tri-vehicles, trailers, and mobile homes. Motorcycle and moped registrants pay a flat tax, of which no money is deposited into the General Revenue Fund. The annual license tax to register an ancient or antique motorcycle is \$7.50, of which \$2.50 is deposited into the General Revenue Fund.<sup>2</sup>

Private use vehicle and private use tri-vehicle registrants pay an annual license tax ranging from \$7.50 to \$32.50 based on weight. No portion of the license taxes derived from these types of vehicles are deposited into the General Revenue Fund.<sup>3</sup>

---

<sup>1</sup> Section 320.20, F.S., outlines the annual license tax disposition of proceeds.

<sup>2</sup> Section 320.08(1), F.S.

<sup>3</sup> Section 320.08(2) and (3), F.S.

Registrants of heavy trucks (vehicles weighing 5,001 pounds or more), semitrailers drawn by means of a fifth-wheel, school buses, wreckers, hearses, and ambulances pay annual license taxes ranging from \$13.50 to \$1,322.00 depending upon different factors, mainly vehicle weight. A portion of the license tax in each class is deposited into the General Revenue Fund.<sup>4</sup>

For-hire vehicle registrants pay annual license taxes ranging from \$17.00 plus \$1.50 cwt<sup>5</sup> to \$17.00 plus \$2.00 per cwt, depending upon how many passengers the vehicle is capable of holding, with a portion of each license tax deposited into the General Revenue Fund.<sup>6</sup>

Trailers for private use, trailers for hire, and recreational vehicle registrants pay annual license taxes ranging from \$6.75 to \$47.25, with a portion of each license tax deposited into the General Revenue Fund.<sup>7</sup>

A franchised motor vehicle dealer, independent motor vehicle dealer, marine boat trailer dealer, or mobile home dealer and manufacturer pays annual license taxes of \$17.00, of which \$4.50 is deposited into the General Revenue Fund. Exempt or official license plate registrants pay \$4.00, of which \$1.00 is deposited into the General Revenue Fund. Registrants of a motor vehicle for hire operated wholly within a city or within 25 miles thereof pay \$17.00, of which \$4.50 is deposited into the General Revenue Fund; plus \$2.00 per cwt, of which 50 cents shall be deposited into the General Revenue Fund.<sup>8</sup>

The first proceeds of the annual license taxes are deposited into the district Capital Outlay and Debt Service School Trust Fund pursuant to Article XII, section 9(d) of the Florida Constitution<sup>9</sup> with the remainder of such revenues going to the State Transportation Trust Fund and the General Revenue Fund.

### **III. Effect of Proposed Changes:**

SB 654 shifts the distribution of the annual license taxes imposed on certain motor vehicle registrations from the General Revenue Fund to the State Transportation Trust Fund. Beginning in Fiscal Year 2019-2020, 50 percent of the portion of the annual license tax that is deposited into the General Revenue Fund is shifted to the State Transportation Trust Fund; in Fiscal Year 2020-2021, the remaining 50 percent is also shifted.

The initial and renewal registration license tax amount for each class and type of motor vehicle remains unchanged.

---

<sup>4</sup> Section 320.08(4) and (5), F.S.

<sup>5</sup> "Cwt" means the weight per hundred pounds, or major fraction thereof, of a motor vehicle. For example, 2,000 lbs. is approximately 20 cwt. Section 320.01(8), F.S.

<sup>6</sup> Section 320.08(6), F.S.

<sup>7</sup> Section 320.08(7), (8), (9), and (10), F.S.

<sup>8</sup> Section 320.08(12), (13), and (14), F.S.

<sup>9</sup> Section 320.20, F.S.

**IV. Constitutional Issues:**

## A. Municipality/County Mandates Restrictions:

None.

## B. Public Records/Open Meetings Issues:

None.

## C. Trust Funds Restrictions:

None.

**V. Fiscal Impact Statement:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

To the extent that increased revenue in the STTF results in more contract lettings by the Florida Department of Transportation (FDOT), private sector contractors may experience an indeterminate positive fiscal impact, and the traveling public may experience an indeterminate positive impact due to increased mobility. There would be a corresponding reduction in revenue available for programs that are currently paid for from the General Revenue Fund. To the extent that these programs are reduced, there may be an indeterminate negative fiscal impact to the general public benefiting from the programs.

## C. Government Sector Impact:

The Revenue Estimating Conference estimates that this bill reduces General Revenue Fund receipts by \$57.6 million in Fiscal Year 2019-2020 and \$125.2 million in Fiscal Year 2020-2021. The bill increases State Transportation Trust Fund receipts by the same amounts as General Revenue Fund receipts are reduced.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 320.08 of the Florida Statutes.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

---

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

---