

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1697 – SB 1783

February 2, 2018

SUMMARY OF BILL: Increases from, 20 to 100 percent, the portion of funds generated by the tax on overweight freight vehicles that is allocated General Fund.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – \$603,500/General Fund

Decrease State Revenue – \$603,500/Highway Fund

Assumptions:

- Pursuant to Tenn. Code Ann § 55-6-107, funds generated by the tax on overweight freight vehicles are currently allocated 80 percent to the Highway Fund and allocated 20 percent to the General Fund.
- The proposed legislation would allocate 100 percent of the funds generated by the tax on overweight freight vehicles to the General Fund.
- According to the Department of Revenue, in FY17-18 total collections for overweight freight taxes were \$754,369.
- Overweight freight tax revenues are assumed to remain constant into perpetuity for the purposes of this fiscal note.
- The recurring increase in state revenue to the General Fund is estimated to be \$603,495 (\$754,369 x 80%).
- The recurring decrease in state revenue to the Highway Fund is estimated to be \$603,495 (\$754,369 x 80%).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

/rbp