

### Fiscal Estimate - 2003 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> <b>03-3041/8</b>	<b>Introduction Number</b> <b>AB-710</b>	
<b>Subject</b> Vehicle registration exemption for agricultural vehicles		
<b>Fiscal Effect</b>		
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue      5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.395(5)(cq)		
<b>Agency/Prepared By</b> DOT/ Carson Frazier (608) 266-7857	<b>Authorized Signature</b> Carol Buckmaster (608) 267-6979	<b>Date</b> 1/23/2004

**Fiscal Estimate Narratives**  
**DOT 1/26/2004**

LRB Number <b>03-3041/8</b>	Introduction Number <b>AB-710</b>	Estimate Type <b>Original</b>
<b>Subject</b> Vehicle registration exemption for agricultural vehicles		

**Assumptions Used in Arriving at Fiscal Estimate**

A truck tractor is a power unit that pulls a semi-trailer. A farm truck tractor is a truck tractor that is owned or leased and operated by a farmer (refers to a specific statutory definition); used exclusively for transportation of supplies, farm equipment and products on the owner's own farm or between his or her farms, farm products from the owner's farm to market, and supplies to his or her farm; and is exempt from payment of heavy vehicle use tax imposed by section 4481 of the internal revenue code.

A farm truck tractor has a special reduced registration fee, which is ¼ of the amount of a truck tractor having the same gross weight. For example, a truck tractor registered at 80,000 lbs pays \$1987.50 in annual registration fee; a farm truck tractor registered at 80,000 lbs pays \$510.50 in annual registration fee.

AB 710 exempts from registration a farm truck tractor that is, at the time of operation, transporting manure, grains, silage, haylage, or equipment between fields or between farm and field, or is being operated from its point of purchase to the operator's farm.

It is likely that only a portion of farm truck tractors would be eligible for registration exemption under AB 710:  
§ Registration exemption is determined by conditions at the time of operation.

§ Therefore, to be exempt from registration, any time the farm truck tractor is on the highway, it must be either  
o transporting one of the enumerated products among the owner's farms/fields, or  
o being operated from the point of purchase to the owner's farm.

§ If the farm truck tractor is transporting anything else when it is on the highway, it must be registered. Farm truck tractor fee is ¼ of the regular registration fee.

§ The above constraint means that only a farm truck tractor dedicated solely to the enumerated purposes when operated on-highway could be exempt from registration.

There are currently 1,675 farm truck tractors registered in Wisconsin. 77% are registered at 80,000 lbs., the highest weight category.

If 10% of all farm truck tractors were eligible for registration exemption under AB 710, that would be 167 vehicles that currently pay farm truck tractor registration fees, which no longer would need to be registered. Assume that these vehicles were distributed by weight in the same distribution as all farm truck tractors. The total registration revenue loss to the Transportation Fund would be \$75,700 annually.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
  Updated
  Corrected
  Supplemental

LRB Number <b>03-3041/8</b>		Introduction Number <b>AB-710</b>	
<b>Subject</b>			
Vehicle registration exemption for agricultural vehicles			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
None			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			-75,700
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>-\$75,700</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-75,700	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
DOT/ Carson Frazier (608) 266-7857		Carol Buckmaster (608) 267-6979	
		<b>Date</b>	
		1/23/2004	