

### Fiscal Estimate - 2003 Session

Original       Updated       Corrected       Supplemental

**LRB Number** 03-3408/1      **Introduction Number** AB-827

**Subject**  
 Exempting school districts from the motor vehicle fuel tax

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate  
 Increase Existing Appropriations       Increase Existing Revenues  
 Decrease Existing Appropriations       Decrease Existing Revenues       Increase Costs - May be possible to absorb within agency's budget  
 Create New Appropriations       Decrease Costs       Yes       No

**Local:**

No Local Government Costs  
 Indeterminate

1.  Increase Costs      3.  Increase Revenue  
      Permissive  Mandatory       Permissive  Mandatory  
 2.  Decrease Costs      4.  Decrease Revenue  
      Permissive  Mandatory       Permissive  Mandatory

5. Types of Local Government Units Affected  
 Towns       Village       Cities  
 Counties       Others  
 School Districts       WTCS Districts

**Fund Sources Affected**      **Affected Ch. 20 Appropriations**

GPR     FED     PRO     PRS     SEG     SEGS 20.566(1)(a)

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## Fiscal Estimate Narratives

DOR 3/8/2004

LRB Number	<b>03-3408/1</b>	Introduction Number	<b>AB-827</b>	Estimate Type	<b>Original</b>
<b>Subject</b>					
Exempting school districts from the motor vehicle fuel tax					

### Assumptions Used in Arriving at Fiscal Estimate

This bill exempts any school district, which purchases and uses gasoline or diesel fuel, from paying the excise tax imposed on gasoline and diesel fuel. The tax rate per gallon for motor vehicle fuel is currently \$0.285 and is adjusted annually on April 1 for inflation. The rate is projected to be \$0.290 in 2004 and \$0.295 in 2005.

Based on the information received from the Department of Public Instructions, in 2003 school districts spent \$9.07 million on motor fuel, which is equivalent to the consumption of 5.57 million gallons of fuel, based on the average price of fuel of \$1.63 per gallon. Based on statewide growth in fuel consumption it is estimated that fuel consumption by school districts will amount to 5.79 million gallons in 2004 and 5.99 million gallons in 2005, and the estimated tax revenue loss will amount to \$1.63 million in FY04 and \$1.72 million in FY05.

The Department of Revenue would incur one-time costs of \$64,000 to develop and revise computer applications. In addition, the Department would incur \$1,500 in form revisions, mailing and processing costs. The total estimated costs would be \$65,500. The bill does not provide funding for these costs.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 03-3408/1		<b>Introduction Number</b> AB-827	
<b>Subject</b>			
Exempting school districts from the motor vehicle fuel tax			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
\$65,500, including \$64,000 to develop and mail new forms and revise computer applications and \$1,500 in form revisions, mailing and processing costs			
<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		-1,630,000
	<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-1,630,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$-1,630,000	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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