



State of Wisconsin

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STEPHEN R. MILLER
CHIEF

April 11, 2005

MEMORANDUM

To: Representative Staskunas

From: Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263

Subject: Technical Memorandum to **2005 AB-236** (LRB 05-2058/1)

We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

April 6, 2005

TO: Joe Kreye
Legislative Reference Bureau

FROM: Blair Kruger
Department of Revenue

SUBJECT: Technical Memorandum on AB 236 - Exempting Local Governments from the Motor Vehicle Fuel Tax

The legislation relates to gasoline and clear diesel fuel, and does not include alternate fuels (LPG and CNG). There are a number of municipally licensed vehicles that are operated on alternate fuels.

In addition, the language that refers to fuel used in this state would allow the fuel tax exemption for municipal vehicles from other states, if they purchase and use the fuel in Wisconsin. The language could limit the exemption by stating *"used by any Wisconsin city, village, town, or county, school district, technical college district or U.W System institutions."*

The bill indicates an effective date of July 1, 2005. This date needs to be revised to January 1, 2006 to allow sufficient time to implement the necessary changes.

The proposed legislation makes no provision for the funding of the costs involved in administering the activities required. If the author wishes to provide funding, appropriation language could be developed and costs allocated in the following manner:

	<u>Chapter 20</u>	<u>Amount</u>	FTE
One-time	20.566(1) (u)	\$30,100	

If you have any questions regarding this technical memorandum, please contact Jacek Cianciara, at 266-8133; for costs, please call Julie Feavel at 267-9892.