

**REVENUE:** Revenue Impact Issued  
**FISCAL:** Minimal Fiscal Impact

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**Action:** Do Pass the B-Engrossed bill  
**Vote:** 12-0-0  
**House Yeas:** Barnhart, Bentz, Brewer, Gelser, Read, Wand, Bailey, Berger  
**Senate Yeas:** Hass, Morse, Telfer, Burdick  
**Nays:** 0  
**Exc.:** 0  
**Prepared By:** Chris Allanach, Economist  
**Meeting Dates:** 5/3, 5/5, 6/16

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**WHAT THE BILL DOES:** Moves the sunset date for the tax credit for new diesel engines forward from December 31, 2013 to July 1, 2011.

**ISSUES DISCUSSED:**

- Revenue to be used for a revolving fund for truck driving school
- The approach of changing a tax expenditure to fund a direct appropriation

**EFFECT OF COMMITTEE AMENDMENTS:** Removes changes to the sunset date for the repower/retrofit diesel engine tax credit.

**BACKGROUND:** The income tax credit for new diesel engines was created in 2003. The amount of the credit ranges from \$400 to \$925, with the amount decreasing as the number of trucks owned increases. The number of tax certificates granted peaked in 2006 at 94, totaling just over \$300,000, but had declined during the recession to 26 in 2010, totaling roughly \$200,000.