

**Legislative
Fiscal Office**

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**Joint Committee on
Ways and Means**

Sen. Peter Courtney, Senate Co-Chair
Rep. Nancy Nathanson, House Co-Chair

Sen. Betsy Johnson, Senate Co-Vice Chair
Sen. Jackie Winters, Senate Co-Vice Chair
Rep. Dan Rayfield, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Capital Construction Subcommittee

From: Meg Bushman Reinhold, Legislative Fiscal Office

Date: March 1, 2018

Subject: HB 4139 – Relating to taxation of certain heavy equipment
Work Session Recommendations

This bill replaces the existing personal property tax system for heavy equipment held for rental with a two percent point-of-sale tax. Heavy equipment rental providers will file returns and remit the tax to the Department of Revenue quarterly. DOR will use up to 5% of the revenue for administrative costs and remit the remainder back to the counties.

The fiscal impact to the Department of Revenue is indeterminate at this time. It is anticipated that the Department will need to make a request to the Emergency Board for position authority and Other Funds limitation later this biennium.

Final Subcommittee Action

LFO recommends that HB 4139 be moved to the Ways and Means Full Committee.

MOTION: I move HB 4139 to the Full Committee with a do pass recommendation.
(VOTE)

Carriers

Full Committee: **Hansell**

House Floor: _____

Senate Floor: _____