

TAX: SALES AND USE
ISSUE: MOTOR CARRIER ACCESSORIES IN INTERSTATE COMMERCE
BILL NUMBER(S): AMENDMENT TO SB 388
SPONSOR(S):
MONTH/YEAR COLLECTION IMPACT BEGINS:
DATE OF ANALYSIS: MARCH 30, 2000

SECTION 1: NARRATIVE

a. Current Law:

Fire extinguishers, hand trucks, stepladders, tarpaulins, furniture pads and burlaps appropriate to carry out a motor vehicle's purpose are taxable.

b. Proposed Change:

Sales and use tax will be prorated based on Florida mileage and interstate mileage for fire extinguishers, hand trucks, step ladders, tarpaulins, furniture pads and burlaps for motor vehicles engaged in interstate commerce.

SECTION 2: DESCRIPTION OF DATA & SOURCES

Florida Department of Highway Safety
 Florida Trucking Association

SECTION 3: ASSUMPTIONS & RATIONALE

- 75,000 interstate vehicles in Florida
- \$500 Value of exempt items per vehicle
- Turnover of exempt items 25% (high), 20% (middle), 15% (low)

SECTION 4: METHODOLOGY

SECTION 5: IMPACT SUMMARY (DETAILS ATTACHED)

State Impact - All Funds	FY 2000-01 Annualized	FY 2000-01 Cash	FY 2001-02 Cash
High	-\$.56m	-\$51	-\$.58
Middle	-\$.45m	-\$.41	-\$.46
Low	-\$.34m	-\$.31	-\$.35

Consensus Estimate Adopted: 3 / 31/00	FY 2000-01 Annualized	FY 2000-01 Cash	FY 2001-02 Cash
General Revenue	(.3)	(.3)	(.4)
Solid Waste Management T.F.	(insignificant)	(insignificant)	(insignificant)
Total State Impact	(.3)	(.3)	(.4)
Local Tax Impact	(insignificant)	(insignificant)	(insignificant)
Total Impact	(.3)	(.3)	(.4)

Truck Accessories

Total Trucks GVW>26000 75,000

Turnover of Accessories	high	25%
	middle	20%
	low	15%

Value of Accessories	\$500
Sales Tax	6%

Total Value of Accessories	high	\$9,375,000
	middle	\$7,500,000
	low	\$5,625,000

Fiscal Impact	high	\$562,500
	middle	\$450,000
	low	\$337,500