

TAX:  
ISSUE:  
BILL NUMBER(S): HB 201  
SPONSOR(S): Littlefield  
MONTH/YEAR COLLECTION IMPACT BEGINS: 7/1/2004  
DATE OF ANALYSIS: 3/1/04

**SECTION 1: NARRATIVE**

**a. Current Law:**

Section 319.32(2)(a), F.S., establishes a service charge of \$4.25 for each application that is handled in connection with the issuance, duplication, or transfer of any certificate of title.

Section 320.04(1)(a), F.S., establishes a service charge of \$2.50 for each application which is handled in connection with original issuance, duplicate issuance, or transfer of any license plate, mobile home sticker, or validation sticker or with transfer or duplicate issuance of any registration certificate.

Currently, there is no provision in statutes requiring a regular review and adjustment of title or registration service charges.

**b. Proposed Change:**

This bill amends s. 319.32 (2)(a), F.S., to increase the service charge by \$2.75 to \$7.00 for each application that is handled in connection with the issuance, duplication, or transfer of any certificate of title. This bill also amends s. 320.04 (1)(a), F.S., to increase the service charge by \$.50 to \$3.00 for each application which is handled in connection with original issuance, duplicate issuance, or transfer of any license plate, mobile home sticker, or validation sticker or with transfer or duplicate issuance of any registration certificate. This bill also creates s. 320.04(4), F.S., requiring the Department of Highway Safety and Motor Vehicles to adjust the service charges imposed in ss. 319.32(2)(a) and 320.04(1)(a) every 3 years, based on the increase or decrease of the Consumer Price Index.

Enactment of this bill would generate an estimated \$23,553,497 of which \$14,321,183 would be generated from increasing the title service fee from \$4.25 to \$7.00 and \$9,232,314 would be generated from increasing the registration service fee from \$2.50 to \$3.00. Of the total \$23,553,497 total revenue increase, \$23,435,491 would be retained by the tax collectors and \$118,006 would be retained by the state. Of the state's portion, \$68,943 would be deposited into the General Revenue Fund and \$49,063 would be deposited into the Highway Safety Operating Trust Fund.

Implementation of this bill would also require revisions to Department forms and procedures and computer programming modifications which would be absorbed within existing resources.

**SECTION 2: DESCRIPTION OF DATA & SOURCES**

The projected revenue impact was calculated based on actual title and registration transactions published in the Department of Highway Safety and Motor Vehicles Annual Revenue Report for fiscal year 2001-2002. For this year, 5,207,703 title transactions occurred of which 5,182,633 transactions were processed by the tax collectors and 25,070 were processed by the Department. Also for this same period, there were 18,464,628 registration transactions of which 18,366,503 were processed by the tax collectors and 98,125 by the Department.

**SECTION 3: ASSUMPTIONS & RATIONALE**

The revenue projection is based on fiscal year 2001-2002 activity levels multiplied by the proposed service fee increase with no growth assumption.

**SECTION 4: METHODOLOGY**

The projected revenue increase for title services fees assumes 5,207,703 transactions multiplied by the \$2.75 service fee increase. The projected revenue increase for registration service fees assumes 18,464,628 transactions multiplied by the \$.50 service fee increase.

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**SECTION 5: IMPACT SUMMARY (DETAILS ATTACHED)**

Enactment of this bill would generate an estimated \$23,553,497 of which \$14,321,183 would be generated from increasing the title service fee from \$4.25 to \$7.00 and \$9,232,314 would be generated from increasing the registration service fee from \$2.50 to \$3.00. Of the total \$23,553,497 total revenue increase, \$23,435,491 would be retained by the tax collectors and \$118,006 would be retained by the state. Of the state's portion, \$68,943 would be deposited into the General Revenue Fund and \$49,063 would be deposited into the Highway Safety Operating Trust Fund.

State Impact—All Funds	FY 2004-05 Annualized	FY 2004-05 Cash	FY 2005-06 Cash
High			
Middle			
Low	\$118,006	\$118,006	\$118,006

Consensus Estimate: Adopted: 3/15/04	FY 2004-05 Annualized	FY 2004-05 Cash	FY 2005-06 Cash
General Revenue	.1	.1	.1
Trust Fund	.1	.1	.1
Total State Impact	.2	.2	.2
Total Local Impact	24.1	24.1	24.1
Total Impact	24.3	24.3	24.3