

REVENUE ESTIMATING CONFERENCE

TAX: Motor Vehicle Licenses
ISSUE: Service Charge Increase
BILL NUMBER(S): SB 872
SPONSOR(S): Senator Peaden
MONTH/YEAR COLLECTION IMPACT BEGINS: July 1, 2005
DATE OF ANALYSIS: April 13, 2005

SECTION 1: NARRATIVE

This bill increases the service charge for title transactions from \$4.25 to \$7.25, and increases the service charge for registration transactions from \$2.50 to \$3.00.

Currently, s. 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. Both the tax collector offices and the Department of Highway Safety process registration and title transactions. This service fee is collected and retained by the entity that processed the transaction.

This bill amends s. 319.32(2)(a), F.S., to increase the service charge by \$3.00 to \$7.25 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.

It is estimated that this bill will generate \$26,519,921 in FY 2005-06 of which \$26,348,090 would be retained by the local tax collectors and \$171,831 would be retained by the state for the first year based on FY 03-04 actual collections. Of the state’s portion, \$122,990 would be deposited into the General Revenue Fund and \$48,841 would be deposited into the Highway Safety Operating Trust Fund. Implementation of this bill would also require revisions to the Motor Vehicle License Software system that will be absorbed within existing resources.

SECTION 2: DESCRIPTION OF DATA AND SOURCES

Department of Highway Safety and Motor Vehicle Annual Revenue Report for FY 03-04.

SECTION 3: METHODOLOGY (INCLUDE ASSUMPTIONS AND ATTACH DETAILS)

Assumed FY 03-04 level of collections for base year and a three percent growth factor for the subsequent year.

SECTION 4: PROPOSED FISCAL IMPACT

State Impact—All Funds	FY 2005-06 Annualized	FY 2005-06 Cash	FY 2006-07 Cash
High			
Middle			
Low	\$171,831	\$171,831	\$176,986

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SECTION 5: CONSENSUS ESTIMATE (ADOPTED 4 / 15 / 05) The conference adopted the proposed estimates.

	FY 2005-06 Annualized	FY 2005-06 Cash	FY 2006-07 Cash
General Revenue	.1	.1	.1
HSOTF:	.1	.1	.1
Total State Impact:	.2	.2	.2
Total Local Impact	26.3	26.3	27.1
Total Impact	26.5	26.5	27.3