

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 407 (Senator Amoss)

Judicial Proceedings

Referred to Commerce and Government Matters

Vehicle Laws - Trailers - Titling and Taxing

This enrolled bill repeals the titling requirement for trailers, other than camping trailers, with a gross weight of 2,500 pounds or less and establishes a \$50 excise tax for such trailers. The bill is effective January 1, 1997.

Fiscal Summary

State Effect: Special fund revenues and expenditures could be affected as discussed below.

Local Effect: None.

Fiscal Analysis

State Revenues: Under current law, trailers are subject to a \$15 titling fee and a 5% excise tax. This bill repeals the \$15 titling fee and establishes a flat \$50 excise tax for all trailers, except camping trailers, with a gross weight of less than 2,500 pounds. The Motor Vehicle Administration advises that the fee changes provided in this bill would be revenue neutral. That is, the revenue increase created by the flat \$50 excise tax on such trailers with a value of less than \$1,000 would offset the revenue decrease resulting from the elimination of the \$15 titling fee and the 5% excise tax on trailers with a value in excess of \$1,000. The Department of Fiscal Services has not been provided with adequate information to confirm this estimate.

State Expenditures: The MVA advises that data processing expenditures could increase by an estimated \$14,550 to program the changes proposed in this legislation. The Department of Fiscal Services advises that if other legislation is passed requiring data processing changes, economies of scale regarding computer programming changes could be realized. This would reduce computer programming costs associated with this bill and other legislation affecting the MVA data processing system.

Information Source(s): Department of Transportation (Motor Vehicle Administration),
Department of Fiscal Services

Fiscal Note History: First Reader - February 5, 1996
ncs Revised - Enrolled Bill - June 18, 1996

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