Local Government Mandate Statement Kentucky Legislative Research Commission 2021 Regular Session

Part I: Measure Information

Bill Request #: 1280			
Bill #: HB 274			
Document ID #: 28	349		
Bill Subject/Title: AN ACT relating to the valuation of motor vehicles for property tax purposes.			
Sponsor: Representative Patrick Flannery			
Unit of Government:		X County	W Urban-County Unified Local
 X Charter County X Consolidated Local X Government Office(s) Impacted: Property Valuation Administrator 			
Requirement: X Mandatory Optional			
Effect on Powers & Duties:	<u>X</u> Modifies Existing	Adds New E	Eliminates Existing

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 274 amends KRS 132.485 to prohibit the use of the rough trade-in value or the clean trade-in value as prescribed by the valuation manual for valuing motor vehicles for property tax purposes unless information is available that warrants deviation from the standard value. The bill becomes effective on January 1, 2022.

HB 274 doesn't change the statutory requirement that the average trade-in value be used for valuing motor vehicles for property tax purposes, but only simply reaffirms that it be used. There is no expected fiscal impact from HB 274; however if the current practice for valuing motor vehicles differs from the statutory requirement to use the average trade-in value, then the overall fiscal impact would be negative for local revenues.

Part III: Differences to Local Government Mandate Statement from Prior Versions

Part II, above, pertains to the bill as introduced.

Data Source(s): <u>LRC Staff</u>

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