

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2503 - SB 2841

February 27, 2020

SUMMARY OF BILL: Clarifies that the leasing of motor vehicles to out-of-state residents is subject to the sales and use tax.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Department of Revenue (DOR), it is the current practice of DOR to tax motor vehicles for out-of-state residents use.
- There is an existing exemption for vehicles not in the state for three days or more, with the filing of an affidavit; this legislation will not impact such exemptions.
- Any impact on sales and use tax collections is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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