



# **Highlights 2024 Regular Session**

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## **Appropriations and Revenue Committee**

**June 5, 2024**



# 2024 Regular Session - Overview

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- Bills that became law
  - 56 Senate Bills
  - 158 House Bills
  - 11 Joint or Concurrent Resolutions
- 51 of these impact revenue or the actions of this Committee
- Most of the 51 bills do not have a major impact



# Overview Continued

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- 17 bills contain new fines
- 12 bills create new programmatic funds
- 6 bills require new reports to the Committee
- 5 bills create or changes fees
- 5 bills impact local taxes or processes
- 4 bills contain changes to state tax processes
- 2 bills are revenue measures – HB 8 and HB 122



# Revenue Measures

## General Fund

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- Sales and Use Tax
  - Created a new economic development project for data centers
  - De minimis filing threshold for certain services increased to \$12,000, currently \$6,000
  - Exempt currency and bullion (vetoed)



# Revenue Measures General Fund

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- Inheritance Tax – exempt general powers of appointment
- Coal Severance Tax on exported coal – extend refunds for 2 additional years
- Tax increment financing (TIF) - Allow modified new revenues until January 1, 2027



# Revenue Measures

## General Fund

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- Car rental and ride share - Allow a bad debt deduction for uncollectable accounts
- Property tax on pipelines, mains, and conduits – litigation – real property for heat, steam, water, sewage, gas or electricity to or for the public –  
For 2024 & 2025



# Revenue Measures

## General Fund – Income Tax

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- New tax credit for qualified broadband investments in this state – available four taxable years
- Delay the deferred tax deduction until January 1, 2026
- Update the Internal Revenue Code reference date to December 31, 2023
- Extend the current exemption for disaster response employees and disaster response businesses for 2 years



# Revenue Measures

## Road Fund

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- Electric Vehicle (EV) Ownership Fee – eliminate the fee on hybrid vehicles that do not have plug-in charging capability
- EV Charging – redefine EV power dealers to mean those with a charging capacity of 20 kilowatts or more
- Require excess funds collected from the license plates be deposited in the Child Victims' Trust Fund





# Revenue Measures

## Administrative Requirements

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- Tax amnesty period beginning October 1, 2024, to November 29, 2024 (vetoed in part)
- All administrative writings and tax forms to be published on the DOR website
- An annual report from DOR on actions taken to implement the tax laws (beginning October 1, 2024)
- Recommendations from OSBD on tax expenditures for immediate or 5-year sunset (beginning September 1, 2024)



# Revenue Measures

## Restricted or Earmarked Funds

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- Extension of items scheduled to sunset
  - Petroleum Storage Tank programs
  - New Tire Fee
- Redistribution of Pari-Mutuel funds earmarked for breeder incentives and the horse industry
- Remove the \$5 fee to obtain certain personal identification cards
- Allow the Executive Branch Ethics Commission to increase the registration fee to provide for a new online filing system



# Revenue Measures

## Local Taxes

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- Define “gross receipts” for purposes of the local car rental and ride share license fee and apply the fee to gross receipts from transportation network company services



# Estimated Impact – \$ in millions

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	FY 2024	FY 2025	FY 2026
Total General Fund		\$33.5	\$15.7
Total Road Fund	(\$0.2)	(\$2.2)	(\$4.8)