

Off-road vehicles, as defined in the bill, are currently taxed at full local tax rates. This bill will exempt off-road vehicles held for sale in a retailer's inventory from local taxation, which could result in a negative fiscal impact for the local taxing district. The amount of local tax revenues currently generated from off-road vehicles is based on the location of the property. The Kentucky Department of Revenue does not track the property or the tax revenues generated from it. Therefore, the data needed to determine the amount of the fiscal impact is not available.

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

Part II, above, pertains to the bill as introduced. There is no prior version of the bill to complete Part III.

Data Source(s): Kentucky Department of Revenue; LRC staff

Preparer: Cynthia Brown **Reviewer:** KHC **Date:** 3/4/19