

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2022 REGULAR SESSION**

MEASURE

2022 BR NUMBER 1283

HOUSE BILL NUMBER 447

TITLE AN ACT relating to property taxation.

SPONSOR Representative Jonathan Dixon

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: _____

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2021-2022	2022-2023	2023-2024	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			(\$52,000)	(\$52,000)
EXPENDITURES				
NET EFFECT			(\$52,000)	(\$52,000)

() indicates a decrease/negative

PURPOSE OF MEASURE: The purpose of the bill is to exempt aircraft not used in the business of transporting persons or property for compensation or hire from state and local ad valorem taxation, effective January 1, 2023.

FISCAL EXPLANATION: This measure would exempt the current state ad valorem tax of 1.5 cents upon each \$100 of assessed value on aircraft not used in the business of transporting persons or property for compensation or hire. If enacted, the property tax exemption for this type of aircraft would result in a negative impact to the General Fund of approximately \$52,000 each fiscal year. This amount has been imputed using the current expenditures reported by the Kentucky Office of State Budget Director related to this type of aircraft.

DATA SOURCE(S): KY OSBD Tax Expenditure Analysis

PREPARER: Katy Jenkins **NOTE NUMBER:** 79 **REVIEW:** JAB **DATE:** 2/21/2022