

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2026 Regular2026 Regular Session**

Part I: Measure Information

Bill Request #:	1601	Bill #:	HB 916
Document ID #:	2808	Sponsor:	Rep. Savannah Maddox
Bill Title:	AN ACT relating to an ad valorem tax exemption for motor vehicles.		

Unit of Government: City County Urban-County
 Charter County Consolidated Local Unified Local

Office(s) Impacted: County Clerks

Requirement: Mandatory Optional

Effect on Powers & Duties: Modifies Existing Adds New Eliminates Existing

Other Fiscal Statement(s) that may exist: Actuarial Analysis Corrections Impact
 Health Benefit Mandate State Employee Health Plan

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

HB 916 would amend KRS 132.4851 to exempt motor vehicles assessed under KRS 132.485 from state property taxes. HB 916 would not prohibit ad valorem taxes imposed by a county, city, school, or other taxing district in which it has a taxable situs.

HB 916 is expected to have a significant negative impact on revenue received by county clerks.

KRS 134.805 provides the county clerks with a 4% commission on state taxes collected. The commission collected in 2025 by the clerk was \$24,829,506.95. If HB 916 is enacted, the county clerks will no longer receive this commission annually. The exact impact is indeterminable, and depends upon the number of motor vehicles assessed in each county.

Data Source(s): LRC Staff, KYTC

Preparer: BW **Reviewer:** AS (MDA) **Date:** 1/20/26