



DEPARTMENT OF AUDITS AND ACCOUNTS

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February 21, 2018

Honorable Bubber Epps
Chairman, House Motor Vehicles
401-E Capitol
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill 862 (LC 39 1803)

Dear Chairman Epps:

The bill would amend O.C.G.A. 40-2-86.1 relating to special license plates issued for alternative fueled vehicles. Upon proof of payment of the registration fee required under O.C.G.A. 40-2-151(a)(19), the bill waives the one-time manufacturing fee (\$25) and annual special tag fee (\$35) that individuals would pay for an alternative fuel tag.

Impact on Revenue

Using the number of electric vehicle registrations in 2017, we estimated that the revenue loss would be between \$440,755 and \$755,580 (Table 1). The amounts are based on 12,593 electric vehicle registrations, with the low estimate assuming that all registrations were for a tag renewal (loss of \$35 special tag fee) and the high estimate assuming all registrations were for new tags (loss of \$35 special tag fee and \$25 manufacturing fee). Because local tag agents retain \$1 for each new registration, the maximum local revenue loss under the scenario in Table 1 would be \$12,593.

Table 1. Estimated Revenue Loss, LC 39 1803

	Electric Vehicles Registered (FY 2017)	If All Initial Registrations	If All Renewals
Total Revenue Loss	12,593	\$755,580	\$440,755

Impact on Agency Costs

The bill would also result in increased costs for the Department of Revenue (DOR). DOR estimated that one-time costs of \$8,200 for IT system changes.

Sincerely,



Greg S. Griffin
State Auditor



Teresa A. MacCartney, Director
Office of Planning and Budget

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