



DEPARTMENT OF AUDITS AND ACCOUNTS

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February 27, 2019

Honorable Chuck Hufstetler
Chairman, Senate Finance
121-C State Capitol
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
Senate Bill 65 (LC 43 1254S)

Dear Chairman Hutstetler:

The bill would add an exemption to the state title ad valorem (TAVT) on motor vehicles for the transfer of title between legal entities when the same individual holds an ownership interest of at least 50 percent in both, provided that the transferor or controlling ownership individual paid TAVT when the vehicle was acquired. The bill has no effective date.

Impact on State Revenue

Georgia State University's Fiscal Research Center indicated that data is not available regarding the number or value of transactions that would be affected by the bill. The bill would have some negative effect on state revenue, but the number of transfers is likely quite small. In addition, common ownership of multiple entities can allow avoidance of TAVT now by not transferring the vehicle title even when use of the vehicle changes from one entity to the other.

Impact on State Expenditures

The Department of Revenue expects minimal impact and would require no additional funds to implement the provisions of the bill.

Sincerely,

Greg S. Griffin
State Auditor

Kelly Farr, Director
Office of Planning and Budget