

Fiscal Note

BILL # HB 2009

TITLE: vehicle license tax; exemption; military

SPONSOR: Carter P

STATUS: As Introduced

PREPARED BY: Jordan Johnston

Description

The bill would allow a member of the U.S. armed forces with a valid order and within 30 days of deployment to receive an exemption from vehicle registration and vehicle license tax (VLT) fees. The bill would further allow members to apply for a refund of registration and VLT fees paid during active military duty.

Estimated Impact

We estimate the bill would have a negligible fiscal impact.

We have requested the Arizona Department of Transportation's estimated impact of this legislation and are awaiting their response.

Analysis

Current law waives vehicle registration fees and VLT fees for deployed members of the U.S armed forces. This existing exemption can be taken one time by the member, member's spouse, or member's legal designee from the time of deployment until 1 year after the member is discharged from the military. The bill would expand the exemption to allow a member of the armed forces to waive registration and VLT fees if they are within 30 days of deployment. Since members are currently eligible to claim the exemption any time from the date of deployment until 1 year after being discharged, we do not expect the bill to increase the total number of people eligible for the exemption.

If an active duty military member paid registration and VLT fees while deployed, current law also allows the payment to be applied to the next registration period of that motor vehicle. In lieu of applying registration and VLT fees paid during deployment to their next registration, the bill would instead allow the member to receive a refund on any fees paid during deployment. We assume that any active duty military member who would claim a refund would also have received a fee waiver on their next vehicle registration under current statute. Therefore, we do not expect a fiscal impact associated with this provision.

Local Government Impact

None

1/31/25

