

HB 2025 -- Personal Property Tax Relief

Sponsor: Portwood

This bill creates the Personal Property Tax Relief Fund and phases out the personal property tax on an individual's two least valuable qualifying non-business motor vehicles if the taxes were paid timely and funds are appropriated from the Tobacco Settlement Trust Fund. For taxable years beginning in 2007, a reimbursement of 12.5% is provided directly to taxpayers. For taxable years beginning in 2008, 27.5% is deducted on the tangible personal property tax bill for qualifying motor vehicles; 47.5% in 2009; 70% in 2010; and 100% in 2011 and after. If the vehicle is valued at \$1,000 or less, a reduction of 100% applies for 2007 and after. The county collector will include a statement with the tax bill explaining the calculation of the deduction, the calculation of future deductions, and the taxpayer's liability for the payment of personal property taxes on the qualifying vehicles.