



**One Hundred First Legislature - First Session - 2009**  
**Introducer's Statement of Intent**  
**LB 271**

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**Chairperson:** Abbie Cornett  
**Committee:** Revenue  
**Date of Hearing:** February 20, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 271 is the Car Tax Reduction Act to reduce the motor vehicle tax levied on passenger cars and trucks with a registered weight of three tons or less.

The amount of reduction in any one year would be determined by the Legislature based on available funds. For 2010 the amount of money suggested by the bill is \$50 million. Each year, the Director of Motor Vehicles estimates the expected tax to be assessed the following calendar year. The appropriation for the Car Tax Reduction Act for that year is then divided by the estimate to calculate the percentage relief for that year.

Counties would credit owners of passenger cars and light trucks with the amount of the credit, charge the owner for the difference, and certify the total credits granted each month in that county. The state would then reimburse 100 percent of the credits granted by the county the following month. The motor vehicle tax statement would contain a statement describing that the credit was state funded.

**Principal Introducer:** \_\_\_\_\_  
**Senator Ken Haar**