

**One Hundred Second Legislature - First Session - 2011**

**Introducer's Statement of Intent**

**LB505**

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**Chairperson: Senator Abbie Cornett**

**Committee: Revenue**

**Date of Hearing: February 10, 2011**

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

Legislative Bill 505 proposes to change motor vehicle taxes and the current distribution of proceeds. Under LB 505, motor vehicle taxes would be assessed against vehicles that are fourteen (14) to twenty (20) years old at a rate of .03 of the tax base. Currently, motor vehicle tax proceeds are allocated to counties, local school systems, school districts, cities, and villages. LB 505 would add the State Patrol Retirement Fund as an additional beneficiary for the distribution of tax proceeds at the rate of one-fourth of one percent.

**Principal Introducer:** \_\_\_\_\_

**Senator Russ Karpisek**