

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6942**

**BILL NUMBER:** HB 1331

**NOTE PREPARED:** Feb 21, 2006

**BILL AMENDED:**

**SUBJECT:** Out-of-State Boat Registration.

**FIRST AUTHOR:** Rep. Hoffman

**FIRST SPONSOR:** Sen. Weatherwax

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill has the following provisions.

*Registration and Titling Waived for Out-of-State Motorboats* -The bill provides that a motorboat that is registered in another state is not required to be registered or titled in Indiana if the motorboat owner pays the Boat Excise Tax and certain fees.

*\$2 Fee Established For Collecting Excise Tax* -The bill also establishes a \$2 fee paid to the Bureau of Motor Vehicles (BMV) for collecting the Excise Tax on a motorboat registered in another state.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** *Registration and Titling Waived for Out-of-State Motorboats* - The bill waives titling and registration fees for motorboats registered in another state if the Excise Tax and other fees required of motorboat owners have been paid. These provisions will reduce registration and title revenue accruing to the state. Revenue for registration and titling motorboats has averaged \$1.9 M per year over the last five fiscal years. However, the revenue associated with out-of-state motorboats is not known at this time.

Current titling and registration fees are shown in the following table.

<b>One-Time Title Fees</b>	<b>To BMV</b>	<b>To DNR</b>	<b>Total</b>
Titles	\$8	\$7	\$15
Repossessions	\$15	\$0	\$15
Corrections	\$15	\$0	\$15
Duplicate	\$8	\$7	\$15

<b>One-Time Registration Fees</b>	<b>To BMV</b>	<b>To DNR</b>	<b>Total</b>
Class 1 - Less than 13 ft.	\$4	\$12	\$16
Class 2 - 13 to 26 ft.	\$4	\$14	\$18
Class 3 - 26 to 40 ft.	\$4	\$17	\$21
Class 4 - over 40 ft.	\$4	\$22	\$26

Registration and titling revenue going to the BMV is distributed to the Motor Vehicle Highway Account (MVHA), Crossroads 2000 Account, the state License Branch Fund, and/or the Bureau of Motor Vehicles Technology Fund.

*\$2 Fee Established For Collecting Excise Tax* - The bill adds a \$2 fee to collect the Excise Tax on a motorboat registered in another state. The fee will generate an indeterminable amount of revenue, depending on the number of out-of-state motorboat registrations. The revenue is to be deposited into the state License Branch Fund.

[NOTE: This estimate will be updated upon receipt of the number of out-of-state motorboat registrations from the Department of Natural Resources and the Bureau of Motor Vehicles.]

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Natural Resources and the Bureau of Motor Vehicles; Bureau of Motor Vehicles Commission; Department of Transportation, the State Police, and the state Department of Revenue as recipients of the MVHA distributions.

**Local Agencies Affected:**

**Information Sources:** Burgess Brown, Legislative Liaison of the Department of Natural Resources, 317-233-6904; *Indiana Handbook of Taxes, Revenues, and Appropriations for FY 2005*, page 296.

**Fiscal Analyst:** James Sperlik, 317-232-9866.