GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING

# Fiscal Note 2023 Biennium

| Bill # | HB0464 | Title: | Repeal local option gas tax |
|---|---|---|---|
| Primary Sponsor: | Regier, Matt | Status: | As Introduced |

☒Significant Local Gov Impact ☐Needs to be included in HB 2 ☐Technical Concerns

☐Included in the Executive Budget ☐Significant Long-Term Impacts ☐Dedicated Revenue Form Attached

## FISCAL SUMMARY

| | FY 2022 Difference | FY 2023 Difference | FY 2024 Difference | FY 2025 Difference |
|---|---|---|---|---|
| **Expenditures:** | | | | |
| General Fund | $0 | $0 | $0 | $0 |
| **Revenue:** | | | | |
| General Fund | $0 | $0 | $0 | $0 |
| **Net Impact-General Fund Balance:** | $0 | $0 | $0 | $0 |

**Description of fiscal impact:** HB 464 repeals the local option gasoline tax provided for in Title 7, Chapter 14, Part 3 of Montana Code Annotated. This gasoline tax is collected at the county level, so there is no fiscal impact to the state from its elimination. Currently, Missoula county is the only county that levies this tax.

## FISCAL ANALYSIS

**Assumptions:**

**Office of Budget and Program Planning**

1. The local option gasoline tax is collected by counties.
2. State revenues are not impacted by the repeal of the local option gasoline tax.

**Effect on County or Other Local Revenues or Expenditures:**

1. Missoula county recently approved a local option gasoline tax. It is the only county to do so since the inception of the tax.
2. Revenue from the tax is split evenly between the county and the incorporated cities of the county.
3. Elimination of the tax will result in lost revenue for Missoula county and the city of Missoula.

| MKR | | VA | 2/22/21 |
|---|---|---|---|
| *Sponsor's Initials* | *Date* | *Budget Director's Initials* | *Date* |