



# House of Representatives

General Assembly

**File No. 612**

February Session, 2000

Substitute House Bill No. 5581

*House of Representatives, April 13, 2000*

The Committee on Finance, Revenue and Bonding reported through REP. MCDONALD of the 148<sup>th</sup> Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***An Act Exempting Certain Fuel Efficient Passenger Cars From The Sales Tax.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-412 of the general statutes, as amended by  
2 sections 16 to 23, inclusive, of public act 99-173 and section 54 of public  
3 act 99-241, is amended by adding subdivision (108) as follows:

4 (NEW) (108) On and after July 1, 2000, and prior to July 1, 2002, the  
5 sale of any passenger car that has a United States Environmental  
6 Protection Agency estimated highway gasoline mileage rating of at  
7 least fifty miles per gallon.

8 Sec. 2. This act shall take effect July 1, 2000.

**ENV Committee Vote:** Yea 23 Nay 0 JFS C/R FIN

**FIN**   **Committee Vote:**   Yea   41   Nay   0   JFS

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** Revenue Loss

**Affected Agencies:** Department of Revenue Services

**Municipal Impact:** None

**Explanation**

**State Impact:**

The revenue loss from exempting passenger car purchases from the Sales and Use Tax if it has a federal Environmental Protection Agency estimated highway mileage of 50 miles per gallon or higher is anticipated to be \$100,000 in FY 01 and in FY 02. The \$100,000 estimate is based on the sale of 60 to 65 such passenger cars per year assuming an average price of \$25,000.

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**OLR Bill Analysis**

sHB 5581

***AN ACT EXEMPTING CERTAIN FUEL EFFICIENT PASSENGER CARS FROM THE SALES TAX.***

**SUMMARY:**

This bill establishes a two-year sales and use tax exemption for passenger cars estimated by the federal Environmental Protection Agency to get 50 miles per gallon or greater during highway driving. The exemption expires June 30, 2002.

EFFECTIVE DATE: July 1, 2000

**COMMITTEE ACTION**

Environment Committee

Joint Favorable Substitute Change of Reference  
Yea 23 Nay 0

Finance, Revenue and Bonding Committee

Joint Favorable Substitute  
Yea 41 Nay 0