

*CORRECTED
SESSION OF 2006*

**SUPPLEMENTAL NOTE ON HOUSE
SUBSTITUTE FOR SENATE BILL NO. 76**

As Recommended by House Committee on
Transportation

Brief*

House Sub. for SB 76 would include work-site utility vehicles in Kansas law. Specifically, the bill would:

- Define work-site utility vehicles as a motor vehicle 48 inches or more wide, less than 135 inches long, with a weight of 800 pounds or more empty, four or more low-pressure tires, a steering wheel, a bench or bucket-type seating that allows at least two people to sit side by side, and may be equipped with a bed or cargo box for hauling materials;
- Require these vehicles to be titled as non-highway vehicles thus exempting the owner from obtaining a driver's license and registration;
- Exempt persons who, on July 1, 2006, own a work-site utility vehicle from obtaining a non-highway certificate of title, unless the person transfers an interest in the vehicle; and
- Exempts these vehicles from the sales tax, if they are equipped with a bed or cargo box for hauling materials similar to farm machinery and equipment.

Background

Bob Alderson, appeared on behalf of South Western Association in support of the bill. He said that by passing the bill, a work-site utility vehicle would no longer be treated identically to an all-terrain vehicle. He also said that the sale of the vehicle may be exempt from sales tax

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

if the purchaser certifies, as required for all other farm machinery and equipment, that the vehicle will be used only in farming or ranching operations.

The House Transportation Committee placed the provision of HB 2918 (the work-site utility vehicle provision) into SB 76 and made it into a substitute bill.

The fiscal note pertaining to work-site utility vehicles, HB 2918, indicates that the Department of Revenue estimates that the exemption would decrease state sales tax revenue by \$437,250 in FY 2007. Of that total, the State General Fund is estimated to decrease by \$383,643, while the State Highway Fund is estimated to decrease by \$53,607. The bill also is estimated to decrease local revenues by \$156,750 in FY 2007.