

**FISCAL NOTE**  
**HOUSE BILL NO. 1139**  
**LC# 25.0099.03000**  
**03/13/2025**

**1 - State Fiscal Effect**

*Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

|                       | 2023-2025 Biennium |             | 2025-2027 Biennium |             | 2027-2029 Biennium |             |
|-----------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
|                       | General Fund       | Other Funds | General Fund       | Other Funds | General Fund       | Other Funds |
| <b>Revenues</b>       |                    |             |                    |             |                    |             |
| <b>Expenditures</b>   |                    |             |                    |             |                    |             |
| <b>Appropriations</b> |                    |             |                    |             |                    |             |

**2 - County, City, School District, and Township Fiscal Effect**

*Identify the fiscal effect on the appropriate political subdivision.*

|                         | 2023-2025 Biennium | 2025-2027 Biennium | 2027-2029 Biennium |
|-------------------------|--------------------|--------------------|--------------------|
| <b>Counties</b>         |                    |                    |                    |
| <b>Cities</b>           |                    |                    |                    |
| <b>School Districts</b> |                    |                    |                    |
| <b>Townships</b>        |                    |                    |                    |

**3 - Bill and Fiscal Impact Summary**

*Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1139 with Senate Amendments creates a sales tax exemption and motor vehicle excise tax exemption for fire departments.

**4 - Fiscal Impact Sections Detail**

*Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 of HB 1139 exempts the gross receipts from sales of items purchased by a fire department to provide fire protection services. While this exemption would decrease sales tax revenue, the fiscal impact cannot be determined because the number of fire departments making purchases and the sales information that would qualify for this exemption is unknown.

Section 2 of HB 1139 exempts motor vehicles acquired by, or leased and in the possession of, a fire department for the purpose of providing fire protection services. According to information provided by the Department of Transportation (DOT), there are 1,137 vehicles currently owned or leased by fire departments. Of this total, 421 vehicles were subject to motor vehicle excise tax with an average vehicle price of \$73,709. If enacted, HB 1139 would cause a decrease in revenue from motor vehicle excise tax collections to the general fund and flexible transportation fund. However, the fiscal impact cannot be determined because future motor vehicle acquisition activities of fire departments is unknown.

## **5 - Revenues Detail**

*For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

## **6 - Expenditures Detail**

*For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

## **7 - Appropriations Detail**

*For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

## **Contact Information**

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