

State of Arkansas Department of Finance and Administration Fiscal Impact Statement

Bill: SB561 Bill Subtitle: TO ALLOW FOR THE ISSUANCE OF AN ADDITIONAL TEMPORARY PREPRINTED PAPER BUYER'S TAG IN CERTAIN CIRCUMSTANCES; AND TO CREATE A PENALTY FOR THE USE OF AN EXPIRED TEMPORARY PREPRINTED PAPER BUYER'S TAG.

Sponsors:

M. Johnson

Basic Change:

SB561 allows the owner of a motor vehicle to obtain an additional temporary preprinted buyer's tag ("paper tag") and imposes additional penalties for operating a motor vehicle while displaying a paper tag beyond its expiration date.

SB561 authorizes the issuance of an additional 30-day paper tag to a vehicle owner who previously received an original paper tag that expired 60 days from the date of issuance or received both an original paper tag and an additional 30-day paper tag allowed by current law because a lien on the vehicle had not been timely released. Before obtaining this additional 30-day paper tag, the applicant must:

- Pay the fee imposed by law for the paper tag;
- Provide proof to the Office of Motor Vehicle ("Office") that the vehicle has been assessed for personal property tax purposes;
- Provide proof to the Office that any personal property taxes due on the vehicle have been paid;
- Apply for the additional 30-day paper tag authorized by SB561 before the previous paper tag issued for the vehicle has expired; and
- Demonstrate that a permanent license plate has not been issued for the vehicle.

SB561 also imposes a fine of \$100 for the first offense by a person who pleads guilty, nolo contendere, or is found guilty of continuing to display a paper tag after its expiration date and imposes a fine of \$250 for a second or subsequent offense.

Fiscal Impact:

None.

Taxpayer Impact:

This bill will allow for an additional temporary tag if needed. A fine may be imposed for individuals who continue to display an expired temporary tag.

Resources Required:

An Estimate for Arkansas Integrated Revenue System (AIRS) cannot be determined at this time. Further analysis of how the business section will implement and what software solution will be used is needed after enactment of the bill.



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Time Required:

Adequate time is provided for implementation.

Procedural Changes:

Updates will be required to the Office of Motor Vehicle (OMV) manual and the Department of Finance and Administration website. Training and review sessions will be conducted for State Revenue Office, Office of Driver Services, and Office of Motor Vehicle employees and staff.

Other Comments:

None.

Legal Analysis:

None.
