

HOUSE BILL REPORT

HB 2660

As Reported By House Committee On:

Transportation

Title: An act relating to refunds and credits of certain motor vehicle fees and special fuel taxes.

Brief Description: Revising procedures for refund of certain fees and taxes.

Sponsors: Representatives Cairnes and R. Fisher; by request of Department of Licensing.

Brief History:

Committee Activity:

Transportation: 1/25/96 [DP].

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 24 members: Representatives K. Schmidt, Chairman; Benton, Vice Chairman; Mitchell, Vice Chairman; Skinner, Vice Chairman; R. Fisher, Ranking Minority Member; Hatfield, Assistant Ranking Minority Member; Backlund; Blanton; Buck; Cairnes; Chandler; Chopp; Elliot; Hankins; Horn; Johnson; McMahan; Ogden; Patterson; Quall; Robertson; Scott; Sterk and Tokuda.

Staff: Jeff Doyle (786-7322).

Background: Persons who discover they have overpaid their motor vehicle excise taxes (MVET) may request refunds from the Department of Licensing (DOL), no matter how small the amount of overpayment. In addition to these requested refunds, the department, on its own initiative, issues automatic MVET refunds to persons who have overpaid by \$5 or more. However, the administrative cost of processing an automatic (non-requested) refund is greater than \$5.

Summary of Bill: The threshold for an automatic (non-requested) refund is raised from \$5 to \$10. The department must continue to issue refunds to persons requesting one, no matter how small the amount.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect on July 1, 1996.

Testimony For: It costs the department more money to provide an automatic refund than the refund is worth. The department will still issue refunds to any persons requesting one.

Testimony Against: None.

Testified: Representative Jack Cairnes, prime sponsor; and Jim Wadsworth, Department of Licensing.