SESSION OF 2011

SUPPLEMENTAL NOTE ON SENATE BILL NO. 213

As Amended by Senate Committee on <u>Transportation</u>

Brief*

SB 213 would define a "lightweight roadable vehicle" as a vehicle that may be driven on public roadways and also is required to be registered with, and flown under the direction of, the Federal Aviation Administration. The bill would exclude this type of vehicle from the definition of "aircraft" in the statute that exempts business aircraft from property taxes.

Background

The bill was requested by the Division of Vehicles at the Department of Revenue, and a representative of the Division provided the only testimony. The vehicle in question is known as the "Transition." According to testimony, the vehicle will meet National Highway Traffic Safety Administration safety standards for highway vehicles, and it also will qualify as a light sport aircraft that must be registered with the Federal Aviation Administration. Production of such vehicles is under way, with first deliveries expected late in 2011. The Division had received an inquiry from a Kansan who plans to buy such a vehicle in early 2012. Without a definition such as that in the bill, such a vehicle could not be registered or legally driven on Kansas highways. Testimony indicated the initial purchase price of such a vehicle would be between \$200,000 and \$250,000.

Staff from the Department of Revenue's Property Valuation Division explained that, under current law, a

^{*}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

lightweight roadable vehicle would be required to be registered and taxed as a motor vehicle. The Senate Committee on Transportation amended the bill to clarify that these vehicles could not qualify for the business aircraft property tax exemption in KSA 79-201k.

The fiscal note on the original bill states that the bill would have no fiscal effect on the Department of Revenue.