

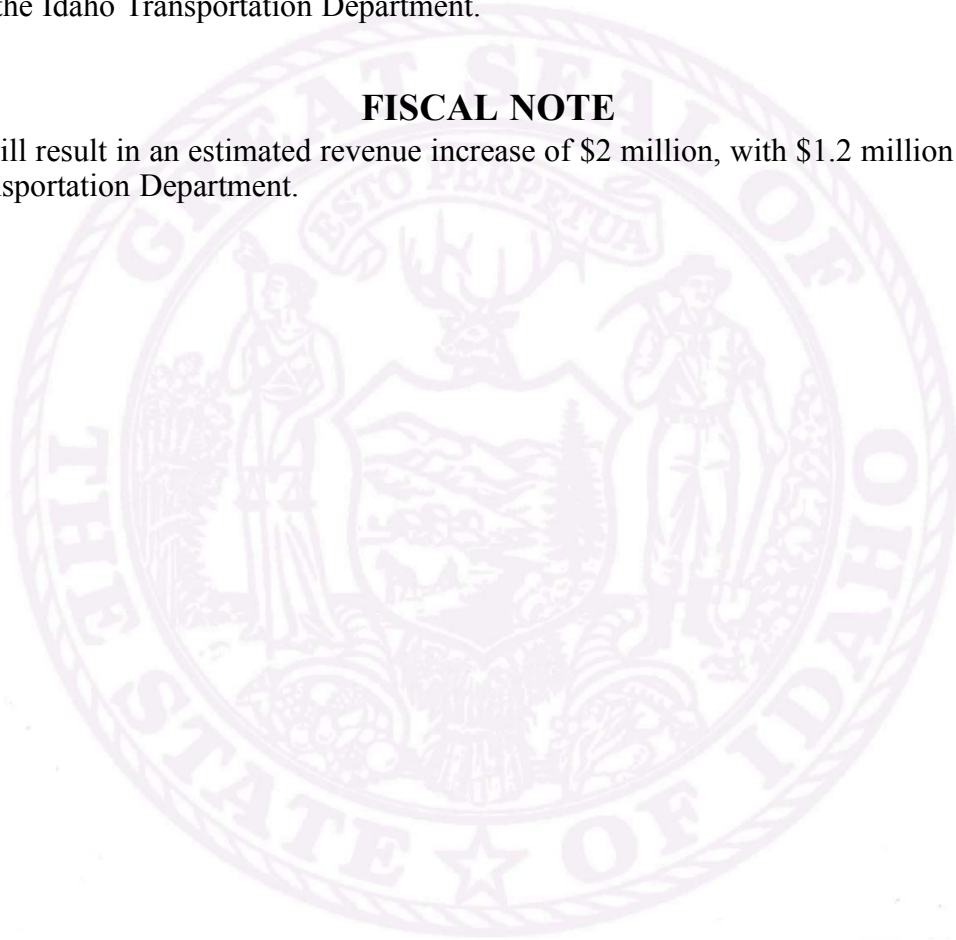
STATEMENT OF PURPOSE

RS18630

This is a revenue generating bill to address the increasing shortfall in money to maintain and preserve Idaho highways. The bill is to place a 6% special tax on the rental fee paid by users of rental motor vehicles in the State of Idaho, effective July 1, 2009. The funds raised by this 6% charge, except for a small portion of the funds that go to administrative costs per statute, will be deposited into a dedicated fund established for maintenance, preservation, and restoration of State highways. By the terms of that dedicated fund, 40% will go to local government units, and 60% will go to the Idaho Transportation Department.

FISCAL NOTE

This bill will result in an estimated revenue increase of \$2 million, with \$1.2 million going to the Idaho Transportation Department.



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