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**By: Delegate Curran**

Introduced and read first time: February 21, 1997  
Assigned to: Commerce and Government Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws - Collection of Excise Tax by Title Services - Commission**

3 FOR the purpose of providing that a title service that collects excise tax on behalf of the  
4 Motor Vehicle Administration (MVA) for titling certain vehicles is entitled to  
5 retain a specified percentage in the same manner as a licensed dealer; treating a  
6 title service in the same manner as a dealer for certain purposes pertaining to  
7 record keeping, collection of taxes and fees, and penalties; making stylistic changes;  
8 and generally relating to the collection of taxes and fees by title services on behalf  
9 of the MVA.

10 BY repealing and reenacting, with amendments,  
11 Article - Transportation  
12 Section 13-812  
13 Annotated Code of Maryland  
14 (1992 Replacement Volume and 1996 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Transportation**

18 13-812.

19 (a) For collecting and remitting the tax, a licensed dealer OR A TITLE SERVICE  
20 [who] THAT, on behalf of the Administration, collects the excise tax imposed by this part  
21 for any Class A (passenger) vehicle, Class D (motorcycle) vehicle, Class G (trailer) travel  
22 trailer or camping trailer, or Class M (multipurpose) vehicle, may keep 1.2 percent of the  
23 gross excise tax [he] A LICENSED DEALER OR A TITLE SERVICE collects for these  
24 vehicles.

25 (b) Each dealer OR TITLE SERVICE [who] THAT collects any tax or fee required  
26 for titling a vehicle shall:

27 (1) Keep complete and accurate records of each taxable sale, together with  
28 a record of the tax collected on the sale;

29 (2) Keep copies of every invoice, bill of sale, and other pertinent documents  
30 and records, in the form that the Administration requires; and

1 (3) Preserve these records in original form for at least 3 years, unless the  
2 Administration consents in writing to their earlier destruction or, by order, requires that  
3 they be kept for a longer period.

4 (c) Each dealer OR TITLE SERVICE [who] THAT collects any tax or fee required  
5 for titling a vehicle shall, during business hours, allow any representative of the  
6 Administration and any police officer full access to records required to be kept under  
7 subsection (b) of this section.

8 (d) If the Administration finds that the records of a dealer OR A TITLE SERVICE  
9 are inadequate or incorrect and that the amount of excise tax collected for the  
10 Administration on these sales cannot be determined accurately from the records:

11 (1) The Administration shall determine the taxable sales of the dealer OR  
12 TITLE SERVICE for the period involved and compute the tax from the best information  
13 available; and

14 (2) The determination and computation of the Administration are prima  
15 facie correct.

16 (e) (1) If, under subsection (d) of this section, the Administration determines  
17 the sales of vehicles and computes the tax due, it shall:

18 (i) Levy an assessment against the dealer OR TITLE SERVICE for the  
19 deficiency, interest, and penalties in the manner authorized in §§ 13-401, 13-601, and  
20 13-701 of the Tax - General Article; and

21 (ii) Notify the dealer OR TITLE SERVICE of the tax due and of the  
22 amount of the deficiency assessment.

23 (2) If the dealer OR TITLE SERVICE fails to pay the tax and assessment  
24 within 10 days after receiving the notice from the Administration, the Administration may  
25 levy, in addition to the tax and assessment, a penalty equal to 25 percent of the tax due.

26 (f) If a dealer OR TITLE SERVICE fails to keep any records of sales of vehicles,  
27 the Administration may compute the tax due as provided in § 13-407 of the Tax - General  
28 Article.

29 (g) All amounts received from any dealer OR TITLE SERVICE under this section  
30 shall be credited:

31 (1) First, to any penalty and interest accrued under this section; and

32 (2) Then, to the tax due.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
34 October 1, 1997.