
By: **Delegate Billings**

Introduced and read first time: February 4, 2000

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Carrier Tax - Motor Carrier Weight-Mile Tax**

3 FOR the purpose of altering the motor carrier tax to impose a tax on certain motor
4 carriers based on operating or registered gross weight and miles of operation in
5 the State; altering certain exemptions under the motor carrier tax; providing for
6 the calculation of the motor carrier weight-mile tax; specifying the rate of the
7 motor carrier weight-mile tax based on the operating or registered gross weight
8 and the number of axles of the commercial motor vehicle; repealing
9 authorization for the Comptroller to exempt certain intrastate motor carriers
10 from filing a motor carrier tax return; requiring a motor carrier to keep certain
11 records of operations in the form that the Comptroller requires; altering certain
12 provisions regarding assessments of motor carrier tax under certain
13 circumstances; defining certain terms and altering certain definitions under the
14 motor carrier tax law; and generally relating to the imposition of a tax on certain
15 motor carriers based on operating or registered gross weight and miles of
16 operation in the State.

17 BY repealing and reenacting, with amendments,
18 Article - Tax - General
19 Section 1-101(n), 9-201 through 9-204, 9-207 through 9-209, 9-213, 9-219(c),
20 13-402(a)(4), and 13-405
21 Annotated Code of Maryland
22 (1997 Replacement Volume and 1999 Supplement)

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

25 **Article - Tax - General**

26 1-101.

27 (n) (1) "Motor carrier tax" means the tax imposed under Title 9, Subtitle 2 of
28 this article.

29 (2) "MOTOR CARRIER TAX" INCLUDES:

1 (I) THE MOTOR CARRIER FUEL TAX IMPOSED UNDER § 9-202(A) OF
2 THIS ARTICLE; AND

3 (II) THE MOTOR CARRIER WEIGHT-MILE TAX IMPOSED UNDER §
4 9-202(B) OF THIS ARTICLE.

5 9-201.

6 (a) In this subtitle the following words have the meanings indicated.

7 (b) (1) "Commercial motor vehicle" means any motor vehicle used or
8 maintained for the transportation of persons or property that:

9 (i) has 2 axles and an operating or registered gross vehicle weight
10 that exceeds 26,000 pounds;

11 (ii) has 3 or more axles; or

12 (iii) is used in combination with another vehicle and has an
13 operating or registered gross combined weight that exceeds 26,000 pounds.

14 (2) "Commercial motor vehicle" does not include:

15 (i) a privately owned antique truck that:

16 1. is registered as a historic motor vehicle under § 13-936 of
17 the Transportation Article; and

18 2. displays appropriate registration plates that the Motor
19 Vehicle Administration issues;

20 (ii) a commercial motor vehicle that is operated:

21 1. by a state or a subdivision of a state;

22 2. by the United States;

23 3. by a joint unit of:

24 A. this State and the United States and other states; or

25 B. this State and another state;

26 4. by or for a state, political subdivision of a state, or private
27 school as a school bus;

28 5. by a volunteer or paid fire department or rescue squad as
29 fire or rescue equipment;

1 (2) IF THE VEHICLE IS USED IN COMBINATION WITH OTHER VEHICLES,
2 THE TOTAL MAXIMUM PERMISSIBLE GROSS WEIGHT OF THE COMBINATION OF
3 VEHICLES FOR WHICH THE VEHICLE IS REGISTERED UNDER TITLE 24 OF THE
4 TRANSPORTATION ARTICLE OR AT WHICH THE VEHICLE IS OTHERWISE AUTHORIZED
5 TO OPERATE ON A HIGHWAY IN THIS STATE.

6 9-202.

7 (a) A tax, BASED ON AMOUNT OF MOTOR FUEL USED IN THE STATE, is
8 imposed on each motor carrier who operates or causes the operation of a commercial
9 motor vehicle on a highway in this State.

10 (B) IN ADDITION TO THE TAX IMPOSED UNDER SUBSECTION (A) OF THIS
11 SECTION, A TAX, BASED ON OPERATING OR REGISTERED GROSS WEIGHT AND MILES
12 OF OPERATION IN THE STATE, IS IMPOSED ON EACH MOTOR CARRIER WHO
13 OPERATES OR CAUSES THE OPERATION OF A COMMERCIAL MOTOR VEHICLE ON A
14 HIGHWAY IN THIS STATE.

15 [(b)] (C) The [tax] TAXES under this section [is] ARE imposed whether the
16 commercial motor vehicle is:

- 17 (1) owned by or leased to the motor carrier;
- 18 (2) operated loaded or empty; or
- 19 (3) operated for compensation or for no compensation.

20 9-203.

21 (A) THE MOTOR CARRIER TAX IMPOSED UNDER § 9-202 OF THIS SUBTITLE
22 DOES NOT APPLY TO A COMMERCIAL MOTOR VEHICLE THAT IS OPERATED BY A
23 MOTOR CARRIER THAT HAS OBTAINED A TRIP PERMIT UNDER § 9-219(C) OF THIS
24 SUBTITLE.

25 (B) The motor carrier FUEL tax imposed under [§ 9-202] § 9-202(A) of this
26 subtitle does not apply to a commercial motor vehicle that[:

- 27 (1)] is operated by a motor carrier that leases the commercial motor
28 vehicle from another motor carrier who provides or pays for the motor fuel[;
- 29 (2) is operated by a motor carrier that has obtained a trip permit under
30 § 9-219(c) of this subtitle; or
- 31 (3) is exempt under § 9-208(c) of this subtitle from reporting].

32 9-204.

33 (A) For each type of motor fuel used in the operation of a commercial motor
34 vehicle on a highway in this State, the motor carrier FUEL tax rate is the motor fuel
35 tax rate for that type of motor fuel in effect when the return period begins, for each
36 gallon of motor fuel used.

1 (B) (1) THE MOTOR CARRIER WEIGHT-MILE TAX IS CALCULATED BY
 2 MULTIPLYING THE NUMBER OF MILES OF OPERATION IN THE STATE TIMES THE
 3 APPROPRIATE TAX RATE UNDER PARAGRAPH (2) OF THIS SUBSECTION.

4 (2) (I) THE MOTOR CARRIER WEIGHT-MILE TAX RATE FOR A VEHICLE
 5 WITH AN OPERATING OR REGISTERED GROSS WEIGHT NOT EXCEEDING 80,000
 6 POUNDS IS BASED ON THE OPERATING OR REGISTERED GROSS WEIGHT OF THE
 7 COMMERCIAL MOTOR VEHICLE AS FOLLOWS:

8 OPERATING OR REGISTERED 9 GROSS WEIGHT 10 (POUNDS)	TAX RATE PER MILE (CENTS)
11 26,001 TO 28,000	4.15
12 28,001 TO 30,000	4.40
13 30,001 TO 32,000	4.60
14 32,001 TO 34,000	4.80
15 34,001 TO 36,000	5.00
16 36,001 TO 38,000	5.25
17 38,001 TO 40,000	5.45
18 40,001 TO 42,000	5.65
19 42,001 TO 44,000	5.85
20 44,001 TO 46,000	6.05
21 46,001 TO 48,000	6.25
22 48,001 TO 50,000	6.45
23 50,001 TO 52,000	6.70
24 52,001 TO 54,000	6.95
25 54,001 TO 56,000	7.20
26 56,001 TO 58,000	7.50
27 58,001 TO 60,000	7.85
28 60,001 TO 62,000	8.25
29 62,001 TO 64,000	8.70
30 64,001 TO 66,000	9.20
31 66,001 TO 68,000	9.85
32 68,001 TO 70,000	10.55
33 70,001 TO 72,000	11.25
34 72,001 TO 74,000	11.90
35 74,001 TO 76,000	12.50
36 76,001 TO 78,000	13.10
37 78,001 TO 80,000	13.65

38 (II) THE MOTOR CARRIER WEIGHT-MILE TAX RATE FOR A VEHICLE
 39 WITH AN OPERATING OR REGISTERED GROSS WEIGHT EXCEEDING 80,000 POUNDS IS
 40 BASED ON THE OPERATING OR REGISTERED GROSS WEIGHT AND NUMBER OF AXLES
 41 OF THE COMMERCIAL MOTOR VEHICLE AS FOLLOWS:

1 OPERATING OR REGISTERED GROSS 2 WEIGHT (POUNDS)	NUMBER OF AXLES				
	3 5	4 6	5 7	6 8	7 9 OR MORE
	TAX RATES PER MILE (CENTS)				
5 80,001 TO 82,000	14.10	12.90	12.05	11.45	10.80
6 82,001 TO 84,000	14.55	13.10	12.25	11.60	10.95
7 84,001 TO 86,000	15.00	13.40	12.45	11.75	11.10
8 86,001 TO 88,000	15.50	13.70	12.65	11.95	11.25
9 88,001 TO 90,000	16.10	14.05	12.85	12.15	11.45
10 90,001 TO 92,000	16.80	14.45	13.05	12.35	11.65
11 92,001 TO 94,000	17.55	14.85	13.25	12.55	11.80
12 94,001 TO 96,000	18.35	15.30	13.50	12.75	12.00
13 96,001 TO 98,000	19.20	15.85	13.80	12.95	12.20
14 98,001 TO 100,000		16.45	14.10	13.20	12.40
15 100,001 TO 102,000			14.40	13.50	12.60
16 102,001 TO 104,000			14.70	13.80	12.85
17 104,001 TO 105,500			15.10	14.10	13.10

18 9-207.

19 (a) [Except as provided in § 9-208 of this subtitle, each] EACH motor carrier
20 shall:

21 (1) complete, under oath, and file a motor carrier tax return for periods
22 that the Comptroller requires; and

23 (2) provide other information that the Comptroller considers necessary
24 to enforce this subtitle properly.

25 (b) To identify properly persons listed in a return, each motor carrier shall
26 include in the return:

27 (1) the Social Security number or other federal identifying number of the
28 person; and

29 (2) if the Comptroller requires, the federal Interstate Commerce
30 Commission identifying number.

31 9-208.

32 [(a) The Comptroller may exempt a motor carrier from filing a motor carrier
33 tax return if:

34 (1) the operations of the motor carrier are intrastate only;

35 (2) the intrastate commercial motor vehicles of the motor carrier are
36 registered (tagged) by the Motor Vehicle Administration to operate within the State;
37 and

1 (3) the exemption will not affect the enforcement of this subtitle
2 adversely.]

3 [(b)] A motor carrier is not required to report, on a motor carrier tax return, a
4 commercial motor vehicle operated under a trip permit.

5 9-209.

6 (a) Each motor carrier shall keep, in the form that the Comptroller requires,
7 records of the operations on which the motor carrier tax returns are based, including:

8 (1) records that show the number of miles operated for each gallon of
9 motor fuel; AND

10 (2) RECORDS THAT SHOW FOR EACH COMMERCIAL MOTOR VEHICLE
11 THE OPERATING OR REGISTERED GROSS VEHICLE WEIGHT AND NUMBER OF MILES
12 OF OPERATION IN THE STATE.

13 (b) A motor carrier shall make the records required under subsection (a) of
14 this section available for inspection by the Comptroller at any time during business
15 hours.

16 (c) A motor carrier shall keep the records required under subsection (a) of this
17 section for 4 years unless the records have been audited and, on written request that
18 states the reasons for the request, the Comptroller authorizes early destruction.

19 9-213.

20 A motor carrier shall pay to the Comptroller:

21 (1) the motor carrier FUEL tax computed by multiplying the tax rate
22 under § 9-204 of this subtitle by the gallons of motor fuel used, as computed under [§
23 9-212] § 9-212(A) of this subtitle, less any credit allowed under § 9-214 of this
24 subtitle; AND

25 (2) THE MOTOR CARRIER WEIGHT-MILE TAX DETERMINED UNDER §
26 9-204(B) OF THIS SUBTITLE.

27 9-219.

28 (c) (1) By regulation, the Comptroller shall establish procedures to issue
29 trip permits and to provide evidence of compliance with this subtitle.

30 (2) To qualify for a trip permit for a commercial motor vehicle, a motor
31 carrier shall pay to the Comptroller an amount rounded to the nearest dollar equal to
32 THE SUM OF:

33 (I) the current motor carrier FUEL tax payable on 174 gallons of
34 special fuel for each commercial motor vehicle; AND

1 (II) THE MOTOR CARRIER WEIGHT-MILE TAX PAYABLE FOR 1,000
2 MILES OF OPERATION IN THE STATE, BASED ON THE OPERATING OR REGISTERED
3 GROSS WEIGHT OF EACH COMMERCIAL VEHICLE.

4 (3) Fees for trip permits are in lieu of the motor carrier tax.

5 13-402.

6 (a) If a notice and demand for a return is made under § 13-303 of this title and
7 the person or governmental unit fails to file the return, the tax collector shall:

8 (4) for motor carrier tax:

9 (i) compute the MOTOR CARRIER FUEL tax IMPOSED UNDER §
10 9-202(A) OF THIS ARTICLE by using a miles per gallon factor based on the use, in the
11 State, of 40 gallons of motor fuel for each commercial motor vehicle in the person's
12 fleet on each day during the period for which the return is not filed;

13 (II) COMPUTE THE MOTOR CARRIER WEIGHT-MILE TAX IMPOSED
14 UNDER § 9-202(B) OF THIS ARTICLE BY USING 400 MILES OF OPERATION FOR EACH
15 COMMERCIAL MOTOR VEHICLE IN THE PERSON'S FLEET ON EACH DAY DURING THE
16 PERIOD FOR WHICH THE RETURN IS NOT FILED; and

17 [(ii)] (III) assess the tax due; and

18 13-405.

19 (a) If a person keeps records that do not contain the information required in §
20 9-209 of this article, the Comptroller may:

21 (1) compute the motor carrier FUEL tax IMPOSED UNDER § 9-202(A) OF
22 THIS ARTICLE by using a miles per gallon factor based on the best information in the
23 possession of the Comptroller;

24 (2) COMPUTE THE MOTOR CARRIER WEIGHT-MILE TAX IMPOSED UNDER
25 § 9-202(B) OF THIS ARTICLE BY USING THE BEST INFORMATION IN THE POSSESSION
26 OF THE COMPTROLLER; and

27 [(2)] (3) assess the tax due.

28 (b) If a person fails to keep records or to make records available to the
29 Comptroller as required in § 9-209 of this article, the Comptroller shall:

30 (1) compute the motor carrier FUEL tax IMPOSED UNDER § 9-202(A) OF
31 THIS ARTICLE by using a miles per gallon factor based on the use, in the State, of 40
32 gallons of motor fuel for each commercial motor vehicle in the person's fleet on each
33 day during the period for which the records are not kept or made available;

34 (2) COMPUTE THE MOTOR CARRIER WEIGHT-MILE TAX IMPOSED UNDER
35 § 9-202(B) OF THIS ARTICLE BY USING 400 MILES OF OPERATION FOR EACH

1 COMMERCIAL MOTOR VEHICLE IN THE PERSON'S FLEET ON EACH DAY DURING THE
2 PERIOD FOR WHICH THE RECORDS ARE NOT KEPT OR MADE AVAILABLE; and

3 [(2)] (3) assess the tax due.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 July 1, 2000.