

SENATE BILL 1012

Q4, Q5, R2

2lr3197
CF 2lr3280

By: **Senator Astle**

Introduced and read first time: February 20, 2012

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Short-Term Rental of Motorcycles – Sales and Use Tax and Motor Vehicle**
3 **Law**

4 FOR the purpose of including certain motorcycles in the definition of “short-term
5 vehicle rental” for purposes of determining the sales and use tax rate for certain
6 vehicle rentals; including certain motorcycles in the definition of “rental vehicle”
7 for purposes of the Motor Vehicle Law; and generally relating to the sales and
8 use tax rate and certain Motor Vehicle Law provisions relating to certain
9 motorcycle rentals.

10 BY repealing and reenacting, with amendments,
11 Article – Tax – General
12 Section 11–104(c)
13 Annotated Code of Maryland
14 (2010 Replacement Volume and 2011 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Transportation
17 Section 11–148.1(a) and 13–939.1
18 Annotated Code of Maryland
19 (2009 Replacement Volume and 2011 Supplement)

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

22 **Article – Tax – General**

23 11–104.

24 (c) (1) In this subsection:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) “short-term vehicle rental” means a rental of a passenger
2 car, as defined in § 11-144.1 of the Transportation Article, or a vehicle that may be
3 registered as a Class **D**, E, F, G, or M vehicle under Title 13, Subtitle 9 of the
4 Transportation Article, for a period of 180 days or less under the following terms:

5 1. the vendor does not provide a driver for the vehicle as
6 a part of the rental; and

7 2. if the vehicle is a passenger car, as defined in §
8 11-144.1 of the Transportation Article, [or] a multipurpose passenger vehicle, **OR A**
9 **MOTORCYCLE**, the vehicle is not to be used to transport individuals or property for
10 hire; and

11 (ii) “short-term vehicle rental” does not include a rental of:

12 1. a dump truck, as described in § 13-919 of the
13 Transportation Article;

14 2. a tow truck, as described in § 13-920 of the
15 Transportation Article; or

16 3. a farm vehicle exempt from the sales and use tax
17 under § 11-201(a) of this title.

18 (2) The sales and use tax rate for a short-term vehicle rental for a
19 taxable price of \$2 or more is:

20 (i) if the vehicle is a passenger car [or], a multipurpose
21 passenger vehicle, **OR A MOTORCYCLE**:

22 1. 23 cents for each exact multiple of \$2; and

23 2. for that part of \$2 in excess of an exact multiple of \$2:

24 A. 1 cent if the excess over an exact multiple of \$2 is at
25 least 1 cent but less than 9 cents;

26 B. 2 cents if the excess over an exact multiple of \$2 is at
27 least 9 cents but less than 18 cents;

28 C. 3 cents if the excess over an exact multiple of \$2 is at
29 least 18 cents but less than 27 cents;

30 D. 4 cents if the excess over an exact multiple of \$2 is at
31 least 27 cents but less than 35 cents;

1 E. 5 cents if the excess over an exact multiple of \$2 is at
2 least 35 cents but less than 44 cents;

3 F. 6 cents if the excess over an exact multiple of \$2 is at
4 least 44 cents but less than 53 cents;

5 G. 7 cents if the excess over an exact multiple of \$2 is at
6 least 53 cents but less than 61 cents;

7 H. 8 cents if the excess over an exact multiple of \$2 is at
8 least 61 cents but less than 70 cents;

9 I. 9 cents if the excess over an exact multiple of \$2 is at
10 least 70 cents but less than 79 cents;

11 J. 10 cents if the excess over an exact multiple of \$2 is at
12 least 79 cents but less than 87 cents;

13 K. 11 cents if the excess over an exact multiple of \$2 is at
14 least 87 cents but less than 96 cents;

15 L. 12 cents if the excess over an exact multiple of \$2 is at
16 least 96 cents but less than \$1.05;

17 M. 13 cents if the excess over an exact multiple of \$2 is at
18 least \$1.05 but less than \$1.14;

19 N. 14 cents if the excess over an exact multiple of \$2 is at
20 least \$1.14 but less than \$1.22;

21 O. 15 cents if the excess over an exact multiple of \$2 is at
22 least \$1.22 but less than \$1.31;

23 P. 16 cents if the excess over an exact multiple of \$2 is at
24 least \$1.31 but less than \$1.40;

25 Q. 17 cents if the excess over an exact multiple of \$2 is at
26 least \$1.40 but less than \$1.48;

27 R. 18 cents if the excess over an exact multiple of \$2 is at
28 least \$1.48 but less than \$1.57;

29 S. 19 cents if the excess over an exact multiple of \$2 is at
30 least \$1.57 but less than \$1.66;

31 T. 20 cents if the excess over an exact multiple of \$2 is at
32 least \$1.66 but less than \$1.74;

1 U. 21 cents if the excess over an exact multiple of \$2 is at
2 least \$1.74 but less than \$1.83;

3 V. 22 cents if the excess over an exact multiple of \$2 is at
4 least \$1.83 but less than \$1.92; and

5 W. 23 cents if the excess over an exact multiple of \$2 is at
6 least \$1.92 but less than \$2.00; or

7 (ii) if the vehicle is a vehicle that may be registered as a Class
8 E, F, or G vehicle under Title 13, Subtitle 9 of the Transportation Article:

9 1. 8 cents for each exact dollar; and

10 2. 2 cents for each 25 cents or part of 25 cents in excess
11 of an exact dollar.

12 Article – Transportation

13 11–148.1.

14 (a) “Rental vehicle” means a passenger car or a vehicle that may be
15 registered as a Class **D**, **E**, **F**, **G**, or **M** vehicle under Title 13, Subtitle 9 of this article:

16 (1) That is acquired solely for rental purposes but will not be rented to
17 the same person for a period of more than 180 consecutive days;

18 (2) (i) That, at the time of purchase, is part of a fleet of passenger
19 cars owned by the same person, at least five of which meet the criteria in item (1) of
20 this subsection;

21 (ii) That, at the time of purchase, is part of a fleet of rental
22 trucks owned by the same person, at least five of which meet the criteria in item (1) of
23 this subsection; [or]

24 (iii) That, at the time of purchase, is part of a fleet of
25 multipurpose passenger vehicles owned by the same person, at least five of which meet
26 the criteria in item (1) of this subsection; **OR**

27 **(IV) THAT, AT THE TIME OF PURCHASE, IS PART OF A FLEET**
28 **OF MOTORCYCLES OWNED BY THE SAME PERSON, AT LEAST FIVE OF WHICH**
29 **MEET THE CRITERIA IN ITEM (1) OF THIS SUBSECTION;**

30 (3) For which the owner does not provide a driver; and

1 (4) That, if the vehicle is a passenger car or multipurpose passenger
2 vehicle, will not be used to transport individuals or property for hire.

3 13-939.1.

4 Notwithstanding any other provision of this subtitle, for a rental vehicle as
5 defined in § 11-148.1 of this article, the annual registration fee is:

6 (1) For a Class A (passenger) vehicle with a manufacturer's shipping
7 weight of:

8 (i) 3,700 pounds or less – \$27.00; and

9 (ii) More than 3,700 pounds – \$40.50;

10 **(2) FOR A CLASS D (MOTORCYCLE) VEHICLE, THE AMOUNT**
11 **SPECIFIED IN § 13-915 OF THIS SUBTITLE;**

12 **[(2)] (3)** For a Class E (truck) vehicle with a manufacturer's rated
13 capacity of 3/4 ton or less and a maximum gross vehicle weight of 7,000 pounds or less
14 – \$33.75;

15 **[(3)] (4)** Notwithstanding item **[(2)] (3)** of this section, for a Class E
16 (truck) vehicle:

17	Maximum Gross Weight	Fee (per 1,000 Pounds
18	Limit (in Pounds)	or Fraction Thereof)
19	10,000 (minimum) – 18,000	\$ 4.75
20	18,001 – 26,000	7.50
21	26,001 – 40,000	8.50
22	40,001 – 60,000	10.50
23	60,001 – 80,000 (maximum)	11.75;

24 **[(4)] (5)** For a Class F (tractor) vehicle based on the maximum gross
25 weight of the vehicle in combination with a trailer or semitrailer as follows:

26	Maximum Gross Weight	Fee (per 1,000 Pounds
27	Limit (in Pounds)	or Fraction Thereof)
28	40,000 (minimum) – 60,000	\$ 14.50
29	60,001 – 80,000 or more	16.00;

30 **[(5)] (6)** For a Class G (trailer) vehicle based on the maximum gross
31 weight as follows:

32 (i) For a nonfreight trailer or semitrailer:

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	Maximum Gross Weight Limit (in Pounds)	Fee
1		
2		
3	3,000 or less	\$ 13.50
4	3,001 – 5,000	27.00
5	5,001 – 10,000	47.25
6	10,001 – 20,000	81.00; and

7 (ii) For a freight trailer or semitrailer – \$20.25; and

8 **[(6)] (7)** For a Class M (multipurpose) vehicle with a manufacturer's
9 shipping weight of:

10 (i) 3,700 pounds or less – \$27.00; and

11 (ii) More than 3,700 pounds – \$40.50.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 2012.