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**By: Senator Amoss**

Introduced and read first time: January 31, 1996

Assigned to: Judicial Proceedings

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Committee Report: Favorable

Senate action: Adopted

Read second time: February 15, 1996

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CHAPTER \_\_\_\_

1 AN ACT concerning

2 **Vehicle Laws - Trailers - Titling and Taxing**

3 FOR the purpose of exempting a certain trailer from the requirement to obtain a  
4 certificate of title; authorizing the Motor Vehicle Administration to register a  
5 certain trailer without requiring a certificate of title or an application for a  
6 certificate of title; requiring the payment of a certain excise tax for a certain trailer  
7 exempt from the requirement to obtain a certificate of title; exempting from the  
8 minimum excise tax a certain trailer that is exempt from the requirement to obtain  
9 a certificate of title; providing for the effective date of this Act; and generally  
10 relating to titling and taxing of a certain trailer.

11 BY repealing and reenacting, with amendments,  
12 Article - Transportation  
13 Section 13-102 and 13-809(b) and (c)  
14 Annotated Code of Maryland  
15 (1992 Replacement Volume and 1995 Supplement)

16 BY adding to  
17 Article - Transportation  
18 Section 13-109 (d)  
19 Annotated Code of Maryland  
20 (1992 Replacement Volume and 1995 Supplement)

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

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1           **Article - Transportation**

2 13-102.

3           A certificate of title is not required for:

4                   (1) A vehicle owned and used by the United States, unless it is registered in  
5 this State;

6                   (2) A new vehicle owned by a manufacturer or dealer and held for sale, even  
7 though incidentally moved on the highway or used for purposes of testing or  
8 demonstration;

9                   (3) A vehicle used by a manufacturer only for testing;

10                  (4) A vehicle owned by a nonresident of this State and not required by law  
11 to be registered in this State;

12                  (5) A vehicle regularly engaged in the interstate transportation of people or  
13 property and for which a currently effective certificate of title has been issued in another  
14 state;

15                  (6) A vehicle moved only by human or animal power;

16                  (7) A bicycle;

17                  (8) A vehicle in which interest has passed to a secured party on default of  
18 the owner;

19                  (9) Farm equipment;

20                  (10) Special mobile equipment; [or]

21                  (11) A self-propelled invalid:

22                         (i) Wheelchair; or

23                         (ii) Tricycle; OR

24                  (12) A TRAILER RATED BY THE MANUFACTURER AS HAVING A GROSS  
25 VEHICLE WEIGHT OF 2,500 POUNDS OR LESS.

26 13-109.

27           (D) THE ADMINISTRATION MAY REGISTER A TRAILER RATED BY THE  
28 MANUFACTURER AS HAVING A GROSS VEHICLE WEIGHT OF 2,500 POUNDS OR LESS  
29 WITHOUT REQUIRING A CERTIFICATE OF TITLE OR AN APPLICATION FOR A  
30 CERTIFICATE OF TITLE.

31 13-809.

32           (b) (1) Except as otherwise provided in this part, in addition to any other charge  
33 required by the Maryland Vehicle Law, an excise tax is imposed:

34                         (i) For each original and each subsequent certificate of title issued in  
35 this State for a motor vehicle, trailer, or semitrailer; and

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1 (ii) [For] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
2 SUBSECTION, FOR each motor vehicle, trailer, or semitrailer that is in interstate  
3 operation and registered under § 13-109(c) OR (D) of this title without a certificate of  
4 title.

5 (2) AN EXCISE TAX OF \$50 IS IMPOSED FOR THE REGISTRATION OF A  
6 TRAILER EXEMPT FROM THE TITLING REQUIREMENT UNDER § 13-102(12) OF THIS  
7 TITLE.

8 [(2)] (3) A political subdivision of the State may not impose a sales tax, a  
9 use tax, or excise tax on the issuance of motor vehicle certificate of title.

10 (c) (1) [The] EXCEPT AS PROVIDED IN SUBSECTION (B)(2) OF THIS  
11 SECTION, THE tax imposed by this section is 5 percent of the fair market value of the  
12 vehicle.

13 (2) If the vehicle formerly was a vehicle exempt from the tax imposed by this  
14 section, the tax shall be reduced by any amount previously paid by the present owner as  
15 a sales and use tax on the vehicle under Title 11 of the Tax - General Article.

16 (3) (i) If the vehicle was formerly titled and registered in another state  
17 and the present owner has not been a Maryland resident for more than 30 days and has  
18 paid a sales or excise tax to that state at a rate less than that imposed by this State, then  
19 the tax imposed shall apply but at a rate measured by the difference only between the tax  
20 rate paid to the other state and the tax rate imposed by this section.

21 (ii) [The] EXCEPT AS PROVIDED IN SUBSECTION (B)(2) OF THIS  
22 SECTION, THE minimum tax imposed under this section shall be \$100.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 January 1, 1997.