

HOUSE BILL 696

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R4
HB 1351/97 - CGM

1998 Regular Session
8r2258

By: **Delegate Curran**

Introduced and read first time: February 11, 1998

Assigned to: Commerce and Government Matters

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
4 the 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
6 a 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
8 changes; and generally relating to the collection of taxes and fees by title
9 services on behalf 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 1997 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
21 part for any Class A (passenger) vehicle, Class D (motorcycle) vehicle, Class G (trailer)
22 travel trailer or camping trailer, or Class M (multipurpose) vehicle, may keep 1.2
23 percent of the gross excise tax [he] A LICENSED DEALER OR A TITLE SERVICE collects
24 for these vehicles.

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

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

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

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

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

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

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

16 (2) The determination and computation of the Administration are prima
17 facie correct.

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

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

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

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

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

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

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

35 (2) Then, to the tax due.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 1998.