

SENATE BILL 694

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R4  
HB 1351/97 - CGM

1998 Regular Session  
8r2528

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By: **Senator Della**  
Introduced and read first time: February 13, 1998  
Assigned to: Rules

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

25 (b) Each dealer [who] OR TITLE SERVICE 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 [who] OR TITLE SERVICE 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.