

BY: Delegate Billings

AMENDMENTS TO HOUSE BILL NO. 1

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “- Mass Transit - Sales and Use Tax”; in line 8, after “expenses;” insert “altering the motor carrier tax to impose a tax on certain motor carriers based on operating or registered gross weight and miles of operation in the State; altering certain exemptions under the motor carrier tax; providing for the calculation of the motor carrier weight-mile tax; specifying the rate of the motor carrier weight-mile tax based on the operating or registered gross weight and the number of axles of the commercial motor vehicle; authorizing the Comptroller to require a motor carrier to file certain returns; authorizing the Comptroller to require a motor carrier to obtain certain identification markers; repealing authorization for the Comptroller to exempt certain intrastate motor carriers from filing a motor carrier tax return; requiring a motor carrier to keep certain records of operations in the form that the Comptroller requires; altering certain provisions regarding assessments of motor carrier tax under certain circumstances; defining certain terms and altering certain definitions under the motor carrier tax law;”; before line 10, insert:

“BY repealing and reenacting, with amendments,

Article - Tax - General

Section 1-101(n), 2-1303, 9-201 through 9-204, 9-207 through 9-209, 9-213, 9-219(a), (b),
and (c), 9-220(a), 13-402(a)(4), and 13-405

Annotated Code of Maryland

(1997 Replacement Volume and 1999 Supplement)”;

and strike in their entirety lines 15 through 19, inclusive.

AMENDMENT NO. 2

On page 2, after line 5, insert:

“1-101.

(Over)

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

(2) "MOTOR CARRIER TAX" INCLUDES:

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

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

and after line 29, insert:

"9-201.

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

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

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

(ii) has 3 or more axles; or

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

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

(i) a privately owned antique truck that:

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

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

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(ii) a commercial motor vehicle that is operated:

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

2. by the United States;

3. by a joint unit of:

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

B. this State and another state;

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

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

6. by a licensed vehicle dealer during a road test for sale, if the vehicle
displays dealer registration plates that the Motor Vehicle Administration issues; or

7. by a person as a privately owned bus used only in the transportation
system of a county, municipal corporation, special taxing district, or other political subdivision to
transport the public on a regular schedule between fixed termini as those terms are defined in the
Transportation Article;

(iii) a multipurpose passenger vehicle as defined in § 11-136.1 of the
Transportation Article;

(iv) a multipurpose passenger vehicle or truck that does not exceed 3/4 ton
capacity when towing;

(Over)

1. a camping trailer as defined in § 11-106 of the Transportation Article; or

2. a travel trailer as defined in § 11-170 of the Transportation Article;
or

(v) a farm truck as defined in § 13-921 of the Transportation Article or a farm area motor vehicle as defined in § 13-935 of the Transportation Article that has 2 axles and a registered or operating gross or combination weight of less than 40,001 pounds.

(c) (1) "Motor carrier" means a person who operates or causes the operation of a commercial motor vehicle on a highway in this State.

(2) "Motor carrier" includes:

(i) a lessor of a commercial motor vehicle who provides or buys the motor fuel used to operate the vehicle or pays for it as a part of rental or other costs; and

(ii) a lessee whose lease entitles the lessee to receive a credit or refund for motor fuel that the lessor buys.

(D) "MOTOR CARRIER FUEL TAX" MEANS THE TAX IMPOSED UNDER § 9-202(A) OF THIS SUBTITLE.

(E) "MOTOR CARRIER WEIGHT-MILE TAX" MEANS THE TAX IMPOSED UNDER § 9-202(B) OF THIS SUBTITLE.

(F) "OPERATING OR REGISTERED GROSS WEIGHT" MEANS:

(1) THE MAXIMUM PERMISSIBLE GROSS WEIGHT FOR WHICH A COMMERCIAL MOTOR VEHICLE IS REGISTERED UNDER TITLE 24 OF THE TRANSPORTATION ARTICLE OR AT WHICH THE VEHICLE IS OTHERWISE AUTHORIZED TO OPERATE ON A HIGHWAY IN THIS STATE; OR

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

9-202.

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

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

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

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

9-203.

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

(Over)

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

(1) is operated by a motor carrier that leases the commercial motor vehicle from another motor carrier who provides or pays for the motor fuel];

(2) is operated by a motor carrier that has obtained a trip permit under § 9-219(c) of this subtitle; or

(3) is exempt under § 9-208(c) of this subtitle from reporting].

9-204.

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

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

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

OPERATING OR REGISTERED

<u>GROSS WEIGHT</u> <u>(POUNDS)</u>	<u>TAX RATE PER MILE</u> <u>(CENTS)</u>
<u>26,001 TO 28,000</u>	<u>4.15</u>
<u>28,001 TO 30,000</u>	<u>4.40</u>
<u>30,001 TO 32,000</u>	<u>4.60</u>
<u>32,001 TO 34,000</u>	<u>4.80</u>

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<u>34,001 TO 36,000</u>	<u>5.00</u>
<u>36,001 TO 38,000</u>	<u>5.25</u>
<u>38,001 TO 40,000</u>	<u>5.45</u>
<u>40,001 TO 42,000</u>	<u>5.65</u>
<u>42,001 TO 44,000</u>	<u>5.85</u>
<u>44,001 TO 46,000</u>	<u>6.05</u>
<u>46,001 TO 48,000</u>	<u>6.25</u>
<u>48,001 TO 50,000</u>	<u>6.45</u>
<u>50,001 TO 52,000</u>	<u>6.70</u>
<u>52,001 TO 54,000</u>	<u>6.95</u>
<u>54,001 TO 56,000</u>	<u>7.20</u>
<u>56,001 TO 58,000</u>	<u>7.50</u>
<u>58,001 TO 60,000</u>	<u>7.85</u>
<u>60,001 TO 62,000</u>	<u>8.25</u>
<u>62,001 TO 64,000</u>	<u>8.70</u>
<u>64,001 TO 66,000</u>	<u>9.20</u>
<u>66,001 TO 68,000</u>	<u>9.85</u>
<u>68,001 TO 70,000</u>	<u>10.55</u>
<u>70,001 TO 72,000</u>	<u>11.25</u>
<u>72,001 TO 74,000</u>	<u>11.90</u>
<u>74,001 TO 76,000</u>	<u>12.50</u>
<u>76,001 TO 78,000</u>	<u>13.10</u>
<u>78,001 TO 80,000</u>	<u>13.65</u>

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

<u>OPERATING OR REGISTERED GROSS</u>	<u>NUMBER OF AXLES</u>				
<u>WEIGHT (POUNDS)</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9 OR MORE</u>
	<u>TAX RATES PER MILE (CENTS)</u>				

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<u>80,001 TO 82,000</u>	<u>14.10</u>	<u>12.90</u>	<u>12.05</u>	<u>11.45</u>	<u>10.80</u>
<u>82,001 TO 84,000</u>	<u>14.55</u>	<u>13.10</u>	<u>12.25</u>	<u>11.60</u>	<u>10.95</u>
<u>84,001 TO 86,000</u>	<u>15.00</u>	<u>13.40</u>	<u>12.45</u>	<u>11.75</u>	<u>11.10</u>
<u>86,001 TO 88,000</u>	<u>15.50</u>	<u>13.70</u>	<u>12.65</u>	<u>11.95</u>	<u>11.25</u>
<u>88,001 TO 90,000</u>	<u>16.10</u>	<u>14.05</u>	<u>12.85</u>	<u>12.15</u>	<u>11.45</u>
<u>90,001 TO 92,000</u>	<u>16.80</u>	<u>14.45</u>	<u>13.05</u>	<u>12.35</u>	<u>11.65</u>
<u>92,001 TO 94,000</u>	<u>17.55</u>	<u>14.85</u>	<u>13.25</u>	<u>12.55</u>	<u>11.80</u>
<u>94,001 TO 96,000</u>	<u>18.35</u>	<u>15.30</u>	<u>13.50</u>	<u>12.75</u>	<u>12.00</u>
<u>96,001 TO 98,000</u>	<u>19.20</u>	<u>15.85</u>	<u>13.80</u>	<u>12.95</u>	<u>12.20</u>
<u>98,001 TO 100,000</u>		<u>16.45</u>	<u>14.10</u>	<u>13.20</u>	<u>12.40</u>
<u>100,001 TO 102,000</u>			<u>14.40</u>	<u>13.50</u>	<u>12.60</u>
<u>102,001 TO 104,000</u>			<u>14.70</u>	<u>13.80</u>	<u>12.85</u>
<u>104,001 TO 105,500</u>			<u>15.10</u>	<u>14.10</u>	<u>13.10</u>

9-207.

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

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

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

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

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

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

(C) THE COMPTROLLER MAY REQUIRE A MOTOR CARRIER TO FILE ONE MOTOR CARRIER TAX RETURN FOR THE MOTOR CARRIER FUEL TAX AND A

SEPARATE RETURN FOR THE MOTOR CARRIER WEIGHT-MILE TAX.

9-208.

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

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

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

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

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

9-209.

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

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

AND

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

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

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

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request, the Comptroller authorizes early destruction.

9-213.

A motor carrier shall pay to the Comptroller:

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

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

9-219.

(a) (1) Except as provided in paragraphs (2) and (3) of this subsection, a motor carrier shall obtain from the Comptroller an identification marker OR MARKERS for each commercial motor vehicle of the motor carrier.

(2) A motor carrier that operates commercial motor vehicles on the highways of this State may obtain trip permits instead of markers.

(3) A motor carrier that registers (tags) all intrastate commercial motor vehicles with the Motor Vehicle Administration for operation within the State is not required to obtain identification markers for those commercial motor vehicles to operate in the State.

(4) THE COMPTROLLER MAY REQUIRE A MOTOR CARRIER TO OBTAIN ONE IDENTIFICATION MARKER FOR REGISTRATION AND ENFORCEMENT OF THE MOTOR CARRIER FUEL TAX AND A SEPARATE IDENTIFICATION MARKER FOR REGISTRATION AND ENFORCEMENT OF THE MOTOR CARRIER WEIGHT-MILE TAX.

(b) To qualify for an identification marker OR MARKERS FOR A COMMERCIAL MOTOR VEHICLE, a motor carrier shall:

(1) submit to the Comptroller an application on the form that the Comptroller requires; and

(2) pay to the Comptroller \$7 for each [marker] COMMERCIAL MOTOR VEHICLE.

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

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

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

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

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

9-220.

(a) A motor carrier shall display the identification marker OR MARKERS for each commercial motor vehicle as the Comptroller requires by regulation.

13-402.

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

(4) for motor carrier tax:

(Over)

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

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

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

13-405.

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

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

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

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

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

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

(2) COMPUTE THE MOTOR CARRIER WEIGHT-MILE TAX IMPOSED UNDER § 9-202(B) OF THIS ARTICLE BY USING 400 MILES OF OPERATION FOR EACH COMMERCIAL MOTOR VEHICLE IN THE PERSON'S FLEET ON EACH DAY DURING THE PERIOD FOR WHICH THE RECORDS ARE NOT KEPT OR MADE AVAILABLE; and

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