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By: **Senator Roesser**  
Introduced and read first time: February 3, 2000  
Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Titling Tax - Transfer to an Inter Vivos Trust**

3 FOR the purpose of exempting from the motor vehicle excise tax the transfer of a  
4 vehicle titled in this State that is transferred into certain written inter vivos  
5 trusts; and providing for the application of this Act.

6 BY repealing and reenacting, with amendments,  
7 Article - Transportation  
8 Section 13-810(c)  
9 Annotated Code of Maryland  
10 (1999 Replacement Volume and 1999 Supplement)

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

13 **Article - Transportation**

14 13-810.

15 (c) On transfer of a vehicle titled in this State and issuance of a subsequent  
16 certificate of title, the vehicle is exempt from the excise tax imposed by this part, if it  
17 is:

18 (1) A vehicle transferred to a spouse, son, daughter, grandchild, parent,  
19 sister, brother, grandparent, father-in-law, mother-in-law, son-in-law, or  
20 daughter-in-law of the transferor, and no money or other valuable consideration is  
21 involved in the transfer;

22 (2) A vehicle repossessed under a security agreement, unless the sale of  
23 the vehicle is required under the agreement;

24 (3) A vehicle transferred from an individual to a partnership, limited  
25 liability company, or corporation or from a partnership, limited liability company, or  
26 corporation to a subpartnership, subsidiary limited liability company, or subsidiary  
27 corporation, if the individual, partnership, limited liability company, or corporation is  
28 a partner, member, or principal stockholder of the newly formed partnership,

1 subpartnership, limited liability company, subsidiary limited liability company,  
2 corporation, or subsidiary corporation, as the case may be;

3 (4) A vehicle transferred to a legal heir, legatee, or distributee;

4 (5) A vehicle involuntarily transferred as a result of divorce or separation  
5 proceedings;

6 (6) A vehicle that is jointly owned and transferred to the name of one of  
7 the owners, if the transferee can establish to the satisfaction of the Administration  
8 that the transferor did not pay any part of the original purchase price of the vehicle or  
9 any applicable taxes or fees for the vehicle;

10 (7) A vehicle transferred by a corporation to its stockholder or  
11 stockholders or by a limited liability company to its member or members as a  
12 liquidating distribution of tangible personal property where the vehicle or vehicles  
13 transferred are not a principal or substantial asset of the corporation or limited  
14 liability company as determined by the Administration;

15 (8) A vehicle transferred as a result of a reorganization within the  
16 meaning of § 368(a) of the Internal Revenue Code; [or]

17 (9) A vehicle transferred to a Family Investment Program recipient or an  
18 individual certified by the Department of Human Resources or a local department of  
19 social services as eligible for transfer of the vehicle that was exempted from the excise  
20 tax imposed by this part under subsection (a)(24) of this section; OR

21 (10) A VEHICLE TRANSFERRED INTO A WRITTEN INTER VIVOS TRUST IN  
22 WHICH THE TRANSFEROR IS THE PRIMARY BENEFICIARY.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 July 1, 2000 and shall be applicable to any vehicle transferred on or after July 1,  
25 2000.