

HOUSE BILL 106

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HB 1255/00 - W&M

2001 Regular Session
11r0869

By: **Delegates Rosso, Busch, Wood, Taylor, Patterson, Conroy, and Love**
Introduced and read first time: January 12, 2001
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 13, 2001

CHAPTER _____

1 AN ACT concerning

2 **Motor Homes and Travel Trailers - Vehicle Excise Tax - Definitions**

3 FOR the purpose of altering the definition of "fair market value" and "total purchase
4 price" for purposes of the vehicle excise tax imposed on a motor home or a travel
5 trailer to exclude from the computation of the tax, subject to a certain limitation,
6 the value of a motor home or travel trailer traded in as part of the consideration
7 for the sale of the motor home or travel trailer by a licensed dealer; authorizing
8 the Department of Business and Economic Development to develop and
9 implement, in cooperation with certain entities, a marketing and tourism plan
10 to promote the use of motor homes and travel trailers in the State; providing
11 that the definitions modified by this Act do not apply to the calculation of the
12 vehicle excise tax imposed on a motor home or a travel trailer until certain
13 bonds are no longer outstanding and unpaid; requiring the Motor Vehicle
14 Administration to collect a reduced motor vehicle excise tax on certain vehicles
15 in certain fiscal years; providing for the application of this Act; providing for the
16 termination of certain provisions of this Act; and generally relating to motor
17 homes and travel trailers.

18 BY repealing and reenacting, without amendments,
19 Article - Transportation
20 Section 11-134.3 and 11-170
21 Annotated Code of Maryland
22 (1999 Replacement Volume and 2000 Supplement)

23 BY repealing and reenacting, with amendments,
24 Article - Transportation
25 Section 13-809(a)

1 Annotated Code of Maryland
2 (1999 Replacement Volume and 2000 Supplement)

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

5 **Article - Transportation**

6 11-134.3.

7 "Motor home" means a motor vehicle that is designed and constructed primarily
8 to provide living quarters for recreational, camping, or travel use.

9 11-170.

10 (a) "Travel trailer" means a vehicle that:

11 (1) Is mounted on wheels;

12 (2) Is of such a size and weight as not to require any special highway
13 movement permit when towed by a motor vehicle;

14 (3) Is designed and constructed primarily to provide temporary living
15 quarters for recreational, camping, or travel use; and

16 (4) Is no longer than 40 feet.

17 (b) "Travel trailer" includes a fifth wheel travel trailer.

18 13-809.

19 (a) (1) In this section the following words have the meanings indicated.

20 (2) "Fair market value" means:

21 (i) [As] EXCEPT AS PROVIDED IN ITEM (IV) OF THIS PARAGRAPH,
22 AS to the sale of any new or used vehicle by a licensed dealer, the total purchase price,
23 as certified by the dealer;

24 (ii) As to a used vehicle that is sold by any person other than a
25 licensed dealer and that has a designated model year that is 7 years old or older, the
26 greater of:

27 1. The total purchase price; or

28 2. \$640;

29 (iii) As to any other used vehicle that is sold by any person other
30 than a licensed dealer:

1 1. The total purchase price, if the total purchase price is less
2 than \$500 below the retail value of the vehicle as shown in a national publication of
3 used car values adopted for use by the Department; or

4 2. If the total purchase price is \$500 or more below the retail
5 value of the vehicle as shown in a national publication of used car values adopted for
6 use by the Department:

7 A. The total purchase price, if verified to the satisfaction of
8 the Administration by a notarized bill of sale submitted in accordance with subsection
9 (d)(2) of this section; or

10 B. The valuation shown in the national publication of used
11 car values, if the Administration finds that the documentation submitted under
12 subsection (d)(2) of this section fails to verify the total purchase price; [and]

13 (iv) AS TO THE SALE OF ANY NEW OR USED MOTOR HOME OR
14 TRAVEL TRAILER BY A LICENSED DEALER, THE TOTAL PURCHASE PRICE AS
15 CERTIFIED BY THE DEALER ON A FORM ACCEPTABLE TO THE ADMINISTRATION; AND

16 (V) In any other case, the valuation shown in a national publication
17 of used car values adopted for use by the Department.

18 (3) "Total purchase price" means [the]:

19 (I) EXCEPT AS PROVIDED IN ITEM (II) OF THIS PARAGRAPH, THE
20 price of a vehicle agreed on by the buyer and the seller, with no allowance for trade-in
21 or other nonmonetary consideration; AND

22 (II) IN THE CASE OF A MOTOR HOME OR TRAVEL TRAILER, THE
23 PRICE OF THE MOTOR HOME OR TRAVEL TRAILER AGREED ON BY THE BUYER AND
24 THE SELLER LESS THE VALUE, NOT TO EXCEED THE VALUE SHOWN IN A NATIONAL
25 PUBLICATION OF USED MOTOR HOME AND TRAVEL TRAILER VALUES ADOPTED FOR
26 USE BY THE DEPARTMENT, OF ANY MOTOR HOME OR TRAVEL TRAILER THAT IS
27 TRADED IN AS PART OF THE CONSIDERATION OF THE SALE.

28 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of
29 Business and Economic Development, in cooperation with the Maryland Recreational
30 Vehicle Dealers Association and other interested trade associations and tourism
31 boards, may develop and implement a marketing and tourism plan to promote the use
32 of motor homes and travel trailers in Maryland.

33 SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding the
34 provisions of Section 1 of this Act, the modified definitions of "fair market value" and
35 "total purchase price" for the purposes of the calculation of the motor vehicle excise
36 tax imposed on a motor home or a travel trailer under § 13-809(a) of the
37 Transportation Article as enacted under Section 1 of this Act do not apply until any
38 Consolidated Transportation Bonds that were issued by the Department of
39 Transportation before July 1, 2001 no longer remain outstanding and unpaid;
40 provided, however, that in any fiscal year for which funds are appropriated by the

1 General Assembly to pay the principal of and interest on the Department of
2 Transportation's Consolidated Transportation Bonds due and payable in that fiscal
3 year, the Motor Vehicle Administration shall collect the reduced motor vehicle excise
4 tax imposed on a motor home or a travel trailer by utilizing the modified definitions
5 as enacted under Section 1 of this Act.

6 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act
7 applies only to a motor home or travel trailer with respect to which liability for the
8 motor vehicle excise tax was incurred on or after July 1, 2001.

9 SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take
10 effect July 1, 2001. Section 1 of this Act shall remain effective for a period of 3 years
11 and, at the end of June 30, 2004, with no further action required by the General
12 Assembly, Section 1 of this Act shall be abrogated and of no further force and effect.