

HOUSE BILL 710

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R7

2004 Regular Session
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By: **Delegates Moe, Ross, Barkley, Benson, Busch, D. Davis, Frush, Gaines,
Healey, Howard, Hubbard, Kaiser, King, Love, Malone, Marriott,
Minnick, Niemann, Ramirez, Taylor, F. Turner, and Weldon**

Introduced and read first time: February 5, 2004

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws - For-Rent Vehicles - Rental Fee**

3 FOR the purpose of requiring a person who rents a motor vehicle to another person to
4 pay a certain fee and to file a return with the Comptroller at certain times;
5 requiring that the fee be separately stated on the rental agreement; providing
6 that the fee is not subject to a certain tax; requiring the Comptroller to forward
7 the fees collected under this Act to the counties and municipalities in accordance
8 with certain requirements; providing that certain tax collection procedures
9 govern the administration, collection, and enforcement of the fee; requiring the
10 Comptroller to administer and collect the fee and to enforce the provisions of
11 this Act; authorizing the Comptroller to adopt certain regulations; providing for
12 the application of this Act; providing for the termination of this Act; and
13 generally relating to for-rent vehicles and rental fees.

14 BY repealing and reenacting, without amendments,
15 Article - Transportation
16 Section 8-404 and 8-405
17 Annotated Code of Maryland
18 (2001 Replacement Volume and 2003 Supplement)

19 BY adding to
20 Article - Transportation
21 Section 18-108
22 Annotated Code of Maryland
23 (2002 Replacement Volume and 2003 Supplement)

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

1

Article - Transportation

2 8-404.

3 (a) Highway user revenues shall be allocated to the counties:

4 (1) One half on a county road mileage basis, as provided in subsection
5 (b)(1) of this section; and6 (2) One half on a motor vehicle registration basis, as provided in
7 subsection (b)(2) of this section.8 (b) The Administration shall allocate for the account of each county, out of the
9 highway user revenues provided for under § 8-403 of this subtitle, its gross share, to
10 be determined by adding:11 (1) The amount that results from applying to one half of these highway
12 user revenues the ratio that, as of December 1 of the preceding calendar year, the
13 total mileage of county roads in the county bears to the total mileage of county roads
14 in all of the counties; and15 (2) The amount that results from applying to one half of these highway
16 user revenues the ratio that, as of December 1 of the preceding calendar year, the
17 total number of motor vehicles registered to owners having addresses in the county
18 bears to the total number of motor vehicles registered to owners in all the counties.19 (c) The allocation of highway user revenues to a county under subsection (b) of
20 this section may not be less than the amount allocated to the county from highway
21 user revenue sources in the fiscal year that began July 1, 1967.22 (d) From each county's share of highway user revenues determined under this
23 section, the Administration shall deduct the amount of highway user revenues
24 allocated to any municipality in the county under § 8-405 of this subtitle. The
25 resulting amount is the county's net share of highway user revenues.

26 8-405.

27 (a) Any municipality authorized by law to construct or maintain streets or
28 roads may request its share of the highway user revenues provided under this subtitle
29 from the Administration. The request shall be made in writing at least 6 months
30 before the start of the fiscal year in which the funds are desired.31 (b) During the fiscal year beginning after a request is made, the
32 Administration shall allocate to the municipality, from the gross share of highway
33 user revenues allocated under § 8-404 of this subtitle to the county within which the
34 municipality is located, its net share of highway user revenues, to be determined by
35 adding:36 (1) The amount that results from applying to one half of the available
37 revenues the ratio that, as of December 1 of the preceding calendar year, the total

1 mileage of county roads in the municipality bears to the total mileage of county roads
2 in the county; and

3 (2) The amount that results from applying to one half of the available
4 revenues the ratio that, as of December 1 of the preceding calendar year, the total
5 number of motor vehicles registered to owners having addresses in the municipality
6 bears to the total number of motor vehicles registered to owners having addresses in
7 the county.

8 (c) For purposes of the mileage formula distributions under this section, each
9 special improvement district in Prince George's County in existence in January, 1953,
10 shall be treated as a municipality, but the amounts distributed shall be:

11 (1) Paid to the county and retained by it as credits to the district; and

12 (2) Applied to the cost of maintaining the streets and roads in the district
13 so long as the district has any indebtedness.

14 18-108.

15 (A) THIS SECTION DOES NOT APPLY TO A CONSTRUCTION COMPANY OR
16 FUNERAL HOME THAT RENTS A MOTOR VEHICLE TO ANOTHER PERSON.

17 (B) A PERSON WHO RENTS A MOTOR VEHICLE TO ANOTHER PERSON SHALL
18 PAY A \$5 FEE FOR EACH MOTOR VEHICLE RENTED.

19 (C) A PERSON REQUIRED TO PAY THE FEE IMPOSED UNDER SUBSECTION (B)
20 OF THIS SECTION SHALL COMPLETE, UNDER OATH, AND FILE A RETURN WITH THE
21 COMPTROLLER:

22 (1) ON OR BEFORE THE 21ST DAY OF THE MONTH THAT FOLLOWS THE
23 MONTH IN WHICH THE TRANSACTION OCCURRED; AND

24 (2) FOR OTHER PERIODS AND ON OTHER DATES THAT THE
25 COMPTROLLER SPECIFIES BY REGULATION, INCLUDING PERIODS IN WHICH NO FEES
26 WERE DUE.

27 (D) THE FEE IMPOSED UNDER SUBSECTION (B) OF THIS SECTION:

28 (1) SHALL BE SEPARATELY STATED ON THE RENTAL AGREEMENT; AND

29 (2) IS NOT SUBJECT TO TAX UNDER TITLE 11 OF THE TAX - GENERAL
30 ARTICLE.

31 (E) AT THE END OF EACH QUARTER, THE COMPTROLLER SHALL FORWARD:

32 (1) 50 PERCENT OF THE FEES COLLECTED UNDER THIS SECTION TO
33 COUNTIES, ALLOCATED IN ACCORDANCE WITH THE REQUIREMENTS FOR THE
34 ALLOCATION OF HIGHWAY USER REVENUES UNDER § 8-404 OF THIS ARTICLE.

1 (2) 50 PERCENT OF THE FEES COLLECTED UNDER THIS SECTION TO
2 MUNICIPALITIES, ALLOCATED IN ACCORDANCE WITH THE REQUIREMENTS FOR THE
3 ALLOCATION OF HIGHWAY USER REVENUES UNDER § 8-405 OF THIS ARTICLE.

4 (F) EXCEPT TO THE EXTENT THEY ARE INCONSISTENT WITH THIS SECTION,
5 THE PROVISIONS OF TITLE 13 OF THE TAX - GENERAL ARTICLE APPLICABLE TO THE
6 SALES AND USE TAX SHALL GOVERN THE ADMINISTRATION, COLLECTION, AND
7 ENFORCEMENT OF THE FEE UNDER THIS SECTION.

8 (G) THE COMPTROLLER:

9 (1) SHALL ADMINISTER THE PROVISIONS OF THIS SECTION; AND

10 (2) MAY ADOPT REGULATIONS NECESSARY TO:

11 (I) ADMINISTER AND COLLECT THE FEE IMPOSED UNDER THIS
12 SECTION; AND

13 (II) OTHERWISE ENFORCE THE PROVISIONS OF THIS SECTION.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
15 effect July 1, 2004. It shall remain effective for a period of 5 years and, at the end of
16 June 30, 2009, with no further action required by the General Assembly, this Act shall
17 be abrogated and of no further force and effect.