
By: **Delegates Weir, Donoghue, Gilleland, McKee, Myers, and Shank**

Introduced and read first time: February 13, 2004

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws - Off-Highway Vehicles - Titling and Registration**

3 FOR the purpose of creating an Off-Highway Vehicle Fund in the Department of
4 Natural Resources; establishing the purpose of the Fund; requiring the
5 Secretary of Natural Resources to administer the Fund; providing that the Fund
6 is a continuing, nonlapsing special fund not subject to certain provisions;
7 requiring the Fund to be administered in a certain manner; providing that the
8 Fund shall consist of certain moneys and certain revenues; requiring the Fund
9 to be used in a certain manner; providing that expenditures from the Fund may
10 only be used in accordance with the State budget; defining "off-highway
11 vehicle"; providing that an off-highway vehicle that is purchased before a
12 certain date does not need a certificate of title until after a certain date unless
13 the vehicle is transferred to a new owner; requiring an off-highway vehicle to be
14 registered with the Motor Vehicle Administration; exempting certain
15 off-highway vehicles from registration requirements; requiring that certain
16 information to be included with an application for registration of an off-highway
17 vehicle; requiring the dealer of an off-highway vehicle to take certain actions if
18 the vehicle is transferred to someone other than a licensed dealer; requiring the
19 Administration to issue to the owner of a registered off-highway vehicle a
20 registration decal; requiring that certain information be included on the
21 registration decal; prohibiting a person from operating an off-highway vehicle
22 unless a registration decal and any validation tab issued is attached to and
23 displayed on the vehicle; providing for the expiration of registration decals;
24 requiring the Administration to adopt rules and regulations to govern the
25 issuance, display, and expiration of registration decals; requiring registration
26 decals to be issued and displayed in accordance with a schedule established by
27 the Administration; requiring the Administration to refund a registration fee
28 under certain circumstances; authorizing the Administration to design
29 temporary registration decals and provide them to certain licensed dealers;
30 authorizing certain entities to electronically transmit titling and registration
31 information and issue permanent registration decals; providing that a
32 registered off-highway vehicle is a Class O (off-highway) vehicle; authorizing
33 the Administration to establish the amount of the registration fee for an
34 off-highway vehicle; requiring the Administration to retain a certain portion of
35 the revenues from the registration of an off-highway vehicle; requiring the

1 Administration to remit certain funds to the Comptroller for deposit into a
2 certain Off-Highway Vehicle Fund; eliminating certain requirements for the
3 sale of a minibike; requiring a certain person who sells an off-highway vehicle to
4 provide certain information to the buyer; prohibiting an individual from
5 operating an off-highway vehicle on a highway with a certain exception;
6 prohibiting an individual from operating an off-highway vehicle on a controlled
7 access highway; providing certain requirements for the operation of an
8 off-highway vehicle on private property; providing that an off-highway vehicle
9 does not need to be inspected when ownership is transferred; repealing certain
10 provisions that authorize a local authority to require registration and impose a
11 registration fee for a minibike; repealing certain provisions that authorize
12 counties to regulate the operation of, require registration for, and impose a
13 registration fee for off-highway motorcycles; providing that, for purposes of
14 determining a certain excise tax, the fair market value of a new or used
15 off-the-road vehicle is the total purchase price as verified to the satisfaction of
16 the Administration by certain documents; providing for the effective date of
17 certain provisions of this Act; providing for the termination of certain provisions
18 of this Act; and generally relating to off-highway vehicles.

19 BY adding to
20 Article - Natural Resources
21 Section 5-209.1
22 Annotated Code of Maryland
23 (2000 Replacement Volume and 2003 Supplement)

24 BY adding to
25 Article - Transportation
26 Section 11-140.1, 13-411.2, 13-937.2, and 21-1123
27 Annotated Code of Maryland
28 (2002 Replacement Volume and 2003 Supplement)

29 BY repealing and reenacting, without amendments,
30 Article - Transportation
31 Section 13-101.1, 13-402(b), and 13-808
32 Annotated Code of Maryland
33 (2002 Replacement Volume and 2003 Supplement)

34 BY repealing and reenacting, with amendments,
35 Article - Transportation
36 Section 13-102, 13-402(a) and (c)(10), 13-403, 13-410(a) and (b), 13-412,
37 13-413, 13-601, 13-610, 13-809, 15-112, 23-106, and 25-102(a)(14) and
38 (16)
39 Annotated Code of Maryland
40 (2002 Replacement Volume and 2003 Supplement)

41 BY repealing and reenacting, with amendments,

1 Article - Transportation
2 Section 13-809
3 Annotated Code of Maryland
4 (2002 Replacement Volume and 2003 Supplement)
5 (As enacted by Chapters 361 and 362 of the Acts of the General Assembly of
6 2001)

7 BY repealing
8 Article - Transportation
9 Section 25-102(a)(15) and 25-102.1
10 Annotated Code of Maryland
11 (2002 Replacement Volume and 2003 Supplement)

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

14 **Article - Natural Resources**

15 5-209.1.

16 (A) IN THIS SECTION, "FUND" MEANS THE OFF-HIGHWAY VEHICLE FUND.

17 (B) THERE IS AN OFF-HIGHWAY VEHICLE FUND IN THE DEPARTMENT.

18 (C) THE PURPOSE OF THE FUND IS TO BUILD AND MAINTAIN TRAILS FOR THE
19 USE OF OFF-HIGHWAY VEHICLES, AS DEFINED IN § 11-140.1 OF THE
20 TRANSPORTATION ARTICLE.

21 (D) THE SECRETARY SHALL ADMINISTER THE FUND.

22 (E) (1) THE FUND IS A CONTINUING, NONLAPSING SPECIAL FUND THAT IS
23 NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

24 (2) THE TREASURER SHALL HOLD THE FUND SEPARATELY AND THE
25 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

26 (3) THE FUND SHALL BE INVESTED AND REINVESTED IN THE SAME
27 MANNER AS OTHER FUNDS.

28 (F) UNLESS OTHERWISE PROVIDED, THE FUND CONSISTS OF:

29 (1) ANY FEES AND OTHER REVENUE COLLECTED BY THE DEPARTMENT
30 UNDER § 5-209 OF THIS SUBTITLE;

31 (2) REVENUES DISTRIBUTED TO THE FUND UNDER § 13-927.2 OF THE
32 TRANSPORTATION ARTICLE;

33 (3) ANY INVESTMENT EARNINGS GENERATED BY THE FUND;

1 (4) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; AND

2 (5) ANY MONEY RECEIVED AND ACCEPTED AS GIFTS, CONTRIBUTIONS,
3 OR GRANTS.

4 (G) THE FUND MAY BE USED ONLY IN ACCORDANCE WITH § 5-209 OF THIS
5 SUBTITLE FOR THE CONSTRUCTION AND MAINTENANCE OF TRAILS FOR
6 OFF-HIGHWAY VEHICLES.

7 (H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE
8 WITH THE STATE BUDGET.

9 **Article - Transportation**

10 11-140.1.

11 (A) "OFF-HIGHWAY VEHICLE" MEANS A VEHICLE THAT IS:

12 (1) A SELF-PROPELLED VEHICLE THAT:

13 (I) HAS A DRY WEIGHT OF NOT MORE THAN 1,000 POUNDS;

14 (II) TRAVELS ON AT LEAST THREE LOW-PRESSURE TIRES;

15 (III) IS DESIGNED TO CARRY ONLY THE OPERATOR OF THE VEHICLE
16 ON A SEAT OR SADDLE DESIGNED TO BE STRADDLED BY THE OPERATOR; AND

17 (IV) IS COMMONLY KNOWN AS AN ALL-TERRAIN VEHICLE;

18 (2) A MOTORCYCLE THAT IS DESIGNED FOR OFF-HIGHWAY OPERATION
19 AND IS NOT ELIGIBLE FOR REGISTRATION AS A CLASS D (MOTORCYCLE) VEHICLE
20 UNDER THIS ARTICLE, COMMONLY KNOWN AS A DIRT BIKE; OR

21 (3) A SNOWMOBILE.

22 (B) "OFF-HIGHWAY VEHICLE" DOES NOT INCLUDE:

23 (1) A FARM VEHICLE AS DEFINED IN § 13-911 OF THIS ARTICLE WHEN
24 USED EXCLUSIVELY ON FARM PROPERTY BY A FARMER; OR

25 (2) ANY VEHICLE WHEN USED ON RESIDENTIAL PROPERTY FOR THE
26 PURPOSE OF LANDSCAPING, GARDENING, OR LAWN CARE.

27 13-101.1.

28 Except as provided in § 13-102 of this subtitle, the owner of each vehicle that is
29 in this State and for which the Administration has not issued a certificate of title
30 shall apply to the Administration for a certificate of title of the vehicle.

1 13-102.

2 A certificate of title is not required for:

3 (1) A vehicle owned and used by the United States, unless it is registered
4 in this State;

5 (2) A new vehicle owned by a manufacturer or dealer and held for sale,
6 even though incidentally moved on the highway or used for purposes of testing or
7 demonstration;

8 (3) A vehicle used by a manufacturer only for testing;

9 (4) A vehicle owned by a nonresident of this State and not required by
10 law to be registered in this State;

11 (5) A vehicle regularly engaged in the interstate transportation of people
12 or property and for which a currently effective certificate of title has been issued in
13 another state;

14 (6) A vehicle moved only by human or animal power;

15 (7) A bicycle;

16 (8) A vehicle in which interest has passed to a secured party on default of
17 the owner;

18 (9) Farm equipment;

19 (10) Special mobile equipment;

20 (11) A self-propelled invalid:

21 (i) Wheelchair; or

22 (ii) Tricycle; [or]

23 (12) A trailer, other than a camping trailer, rated by the manufacturer as
24 having a gross vehicle weight of 2,500 pounds or less; OR

25 (13) AN OFF-HIGHWAY VEHICLE PURCHASED BEFORE OCTOBER 1, 2004,
26 UNTIL THE EARLIER OF:

27 (I) OCTOBER 1, 2009; OR

28 (II) THE DATE ON WHICH THE OFF-HIGHWAY VEHICLE IS FIRST
29 TRANSFERRED TO A NEW OWNER AFTER OCTOBER 1, 2004.

1 13-402.

2 (a) (1) Except as otherwise provided in this section or elsewhere in the
3 Maryland Vehicle Law, each motor vehicle, trailer, semitrailer, and pole trailer driven
4 on a highway shall be registered under this subtitle.

5 (2) AN OFF-HIGHWAY VEHICLE SHALL BE REGISTERED UNDER THIS
6 SUBTITLE.

7 (3) If a motor vehicle required to be registered under this subtitle is not
8 registered, a person may not park the unregistered motor vehicle on any:

9 (i) Public alley, street, or highway; or

10 (ii) Private property used by the public in general, including
11 parking lots of shopping centers, condominiums, apartments, or town house
12 developments.

13 [(3)] (4) The provisions of paragraph [(2)] (3) of this subsection do not
14 apply to a motor vehicle that is exempt from registration under this section or §
15 13-402.1 of this subtitle.

16 (b) Except as otherwise expressly authorized in this title, the Administration
17 may not register or renew the registration of a vehicle unless the Administration has
18 issued to the owner a certificate of title of the vehicle or has received an application
19 for the certificate of title.

20 (c) Registration under this subtitle is not required for:

21 (10) [A snowmobile which is operated on highways and roadways as
22 prescribed by § 25-102(a)(14) of this article] UNTIL SEPTEMBER 30, 2009, OR UNTIL
23 THE VEHICLE IS TRANSFERRED TO A NEW OWNER, AN OFF-HIGHWAY VEHICLE
24 PURCHASED BEFORE OCTOBER 1, 2004, UNTIL THE EARLIER OF:

25 (I) OCTOBER 1, 2009; OR

26 (II) THE DATE ON WHICH THE OFF-HIGHWAY VEHICLE IS FIRST
27 TRANSFERRED TO A NEW OWNER AFTER OCTOBER 1, 2004;

28 13-403.

29 (a) The owner of a vehicle subject to registration under this subtitle shall
30 apply to the Administration for the registration of the vehicle in a manner that the
31 Administration requires.

32 (b) (1) The application shall contain the information that the
33 Administration reasonably requires to determine if the vehicle is entitled to
34 registration.

1 (2) THE APPLICATION FOR REGISTRATION OF AN OFF-HIGHWAY
2 VEHICLE SHALL CONTAIN PROOF ACCEPTABLE TO THE ADMINISTRATION THAT THE
3 APPLICANT IS:

4 (I) AT LEAST 18 YEARS OLD; AND

5 (II) THE OWNER OF THE OFF-HIGHWAY VEHICLE.

6 (C) IF A LICENSED DEALER HOLDS AN OFF-HIGHWAY VEHICLE FOR SALE AND
7 TRANSFERS THE VEHICLE TO SOMEONE OTHER THAN ANOTHER LICENSED DEALER,
8 THE DEALER SHALL EITHER:

9 (1) OBTAIN FROM THE TRANSFEREE A COMPLETED APPLICATION AND
10 COLLECT ALL FEES REQUIRED TO REGISTER THE OFF-HIGHWAY VEHICLE UNDER
11 THIS SUBTITLE AND WITHIN 20 DAYS OF THE DATE OF DELIVERY OF THE
12 OFF-HIGHWAY VEHICLE SEND TO THE ADMINISTRATION THE FEES AND OTHER
13 DOCUMENTS REQUIRED TO REGISTER THE OFF-HIGHWAY VEHICLE; OR

14 (2) ELECTRONICALLY TRANSMIT THE APPLICATION AND FEES IN
15 ACCORDANCE WITH § 13-610 OF THIS TITLE.

16 13-410.

17 (a) (1) Except as otherwise provided in this title, when it registers a vehicle,
18 the Administration shall issue to the owner:

19 (i) One registration plate, if the vehicle is a Class D (motorcycle)
20 vehicle, Class F (tractor) vehicle, or Class G (trailer) vehicle; [and]

21 (ii) ONE REGISTRATION DECAL IF THE VEHICLE IS A CLASS O
22 (OFF-HIGHWAY) VEHICLE; AND

23 (III) Two registration plates for every other vehicle.

24 (2) However, as to temporary registration, the Administration may
25 provide for the issuance of only one temporary registration plate OR DECAL for any
26 vehicle.

27 (b) (1) Each registration plate OR DECAL shall display:

28 (i) The registration number assigned to the vehicle for which it is
29 issued; and

30 (ii) The name of this State, which may be abbreviated.

31 (2) The registration number may consist of letters, numerals, or both.

1 13-411.2.

2 A PERSON MAY NOT OPERATE AN OFF-HIGHWAY VEHICLE REQUIRED TO BE
3 REGISTERED UNDER THIS TITLE UNLESS THERE IS ATTACHED TO THE
4 OFF-HIGHWAY VEHICLE AND DISPLAYED ON IT:

5 (1) A REGISTRATION DECAL ISSUED FOR THE CURRENT REGISTRATION
6 PERIOD; AND

7 (2) ANY VALIDATION TAB ISSUED FOR THE OFF-HIGHWAY VEHICLE
8 UNDER THIS SUBTITLE.

9 13-412.

10 (a) Except as provided in subsection (b) of this section, unless current
11 validation tabs have been issued by the Administration and are displayed on the
12 plates OR DECALS as provided in this subtitle, the registration and the registration
13 plates OR DECALS issued under this title for them expire at midnight on the dates
14 indicated on the registration card issued by the Administration.

15 (b) (1) The Administration may issue a temporary authorization certificate
16 permitting a vehicle to be driven pending the issuance of current validation tabs.

17 (2) A temporary authorization certificate:

18 (i) Shall be issued for a period determined by the Administration
19 not to exceed 15 days; and

20 (ii) Is not transferable and may not be used on another vehicle
21 other than the one to which it was issued.

22 (3) A fee for a temporary authorization certificate may be established by
23 the Administration.

24 (c) The Administration shall adopt rules and regulations to govern the
25 issuance, display, and expiration of registrations, registration cards, registration
26 plates OR DECALS, temporary authorization certificates, and validation tabs.

27 13-413.

28 (a) Notwithstanding any other provision of this subtitle, the Administration
29 may adopt a system of multiyear registration.

30 (b) Vehicle registration plates, DECALS, or validation tabs shall be issued and
31 displayed in accordance with a schedule established by the Administrator.

32 (c) The fee for a multiyear registration is the same as the annual registration
33 fee established under this title multiplied by the number of years for which the
34 registration is issued.

1 (d) The Administration shall refund the registration fees upon surrender of
2 the registration card and registration plates OR DECAL if the return is made before
3 the beginning of any 12-month registration year for which the application for refund
4 is made.

5 (e) The Administration may adopt regulations to carry out the provisions of
6 this section.

7 13-601.

8 (a) Except as provided in subsection (b) of this section, the Administration
9 may design temporary registration plates OR DECALS and furnish them to any
10 licensed dealer who:

11 (1) On the form that the Administration requires, applies for at least five
12 of these plates; and

13 (2) With the application, submits a fee established by the Administration
14 for each plate.

15 (b) A wholesale dealer may not apply for temporary registration plates OR
16 DECALS.

17 13-610.

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

19 (2) "Fleet" means 10 or more vehicles.

20 (3) "Qualified owner" means a person, partnership, firm, or corporation,
21 or an individual agent of a person, partnership, firm, or corporation, authorized by
22 the Administration to transmit electronically proper titling and registration
23 information and fees to the Administration.

24 (4) "Service provider" means a dealer or title service agent licensed
25 under Title 15 of this article or a qualified owner of a fleet.

26 (b) Subject to the approval of the Administration, a service provider may:

27 (1) Issue permanent registration plates OR DECALS to the transferee or
28 renew the registration of a vehicle if the service provider has electronically
29 transmitted the proper titling and registration information to the Administration, or
30 an agent designated by the Administration; and

31 (2) Charge the transferee or the registered owner of the vehicle a fee for
32 the actual cost to the service provider of the electronic transmission service described
33 in item (1) of this subsection.

34 (c) The Administration shall adopt regulations to:

1 (1) Govern the electronic transmission of titling and registration
2 information authorized under this section; and

3 (2) Determine the appropriate level of the fee that may be charged by
4 service providers for the electronic transmission service.

5 13-808.

6 The excise taxes imposed by this part for a vehicle shall be paid to the
7 Administration:

8 (1) Before the issuance of a certificate of title for that vehicle; or

9 (2) As to a vehicle registered under § 13-109(c) of this title without a
10 certificate of title, before the registration of that vehicle.

11 13-937.2.

12 (A) WHEN REGISTERED WITH THE ADMINISTRATION, AN OFF-HIGHWAY
13 VEHICLE IS A CLASS O (OFF-HIGHWAY) VEHICLE.

14 (B) THE ADMINISTRATION SHALL ESTABLISH THE AMOUNT OF THE
15 REGISTRATION FEE FOR EACH CLASS O (OFF-HIGHWAY) VEHICLE.

16 (C) (1) FROM THE REVENUES COLLECTED UNDER THIS SECTION, THE
17 ADMINISTRATION SHALL RETAIN THOSE REVENUES NECESSARY TO RECOVER THE
18 COST OF ADMINISTERING THE REGISTRATION OF CLASS O (OFF-HIGHWAY)
19 VEHICLES.

20 (2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AFTER
21 RECOVERING ITS ADMINISTRATIVE COSTS, THE ADMINISTRATION SHALL REMIT THE
22 BALANCE OF THE REVENUES COLLECTED UNDER THIS SECTION TO THE
23 COMPTROLLER FOR DEPOSIT INTO THE OFF-HIGHWAY VEHICLE FUND UNDER §
24 5-209.1 OF THE NATURAL RESOURCES ARTICLE.

25 15-112.

26 [(a) In this section, "minibike":

27 (1) Means a motor vehicle that:

28 (i) Has a saddle for the use of the rider;

29 (ii) Is designed to travel on not more than three wheels in contact
30 with the ground; and

31 (iii) Is not subject to registration under Title 13 of this article; and

32 (2) Does not include a farm tractor.

1 (b) Any dealer or agent or employee of a dealer, any vehicle salesman, or any
2 other person who sells [a minibike] AN OFF-HIGHWAY VEHICLE shall inform the
3 buyer that [the use of a minibike on a highway may be illegal.

4 (c) Any dealer or agent or employee of a dealer, any vehicle salesman, or any
5 other person who sells a minibike shall inform the buyer that local law, ordinance,
6 and regulation may limit the use of the minibike] OPERATION OF THE OFF-HIGHWAY
7 VEHICLE IS SUBJECT TO THE PROVISIONS OF §§ 13-403, 13-411.2, AND 21-1123 OF THIS
8 ARTICLE.

9 21-1123.

10 (A) (1) EXCEPT WHEN CROSSING A HIGHWAY AT A RIGHT ANGLE, AN
11 INDIVIDUAL MAY NOT OPERATE AN OFF-HIGHWAY VEHICLE ON A HIGHWAY.

12 (2) AN INDIVIDUAL MAY NOT OPERATE AN OFF-HIGHWAY VEHICLE ON A
13 CONTROLLED ACCESS HIGHWAY AS DEFINED IN § 21-101(D) OF THIS TITLE.

14 (B) (1) BEFORE OPERATING AN OFF-HIGHWAY VEHICLE ON PRIVATE
15 PROPERTY, THE OPERATOR OF THE OFF-HIGHWAY VEHICLE SHALL OBTAIN THE
16 WRITTEN PERMISSION OF THE OWNER OF THE PRIVATE PROPERTY.

17 (2) WHILE OPERATING AN OFF-HIGHWAY VEHICLE ON PRIVATE
18 PROPERTY, THE OPERATOR OF THE OFF-HIGHWAY VEHICLE SHALL CARRY THE
19 WRITTEN PERMISSION DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

20 23-106.

21 (a) This section does not apply to:

22 (1) Any transfer of a used vehicle to any licensed dealer or to any foreign
23 dealer;

24 (2) Any transfer between:

25 (i) Spouses;

26 (ii) A parent and child; or

27 (iii) Co-owners of the vehicle to be transferred when a co-owner's
28 name is being removed from the title;

29 (3) Any transfer of a used vehicle that is not to be both titled and
30 registered in this State;

31 (4) Any transfer of a used vehicle among any agencies of the State;

32 (5) Any transfer of a used vehicle as described in § 13-503.2 of this
33 article; [or]

1 (6) Any transfer of a used vehicle into a written inter vivos trust in which
2 the transferor is the primary beneficiary; OR

3 (7) ANY TRANSFER OF AN OFF-HIGHWAY VEHICLE AS DEFINED IN §
4 11-140.1 OF THIS ARTICLE.

5 (b) (1) Except as provided in paragraph (4) of this subsection, if any licensed
6 dealer that also is an inspection station transfers any used vehicle, it shall:

7 (i) Prepare and attach an inspection certificate to a window of the
8 vehicle; or

9 (ii) Have an inspection certificate prepared and attached to a
10 window of the vehicle by another inspection station.

11 (2) Except as provided in paragraphs (4) and (5) of this subsection, if any
12 other person transfers a used vehicle, the person shall obtain an inspection certificate
13 from an inspection station. The inspection certificate shall be issued without charge
14 and attached to a window of the vehicle.

15 (3) If a used vehicle is transferred other than by voluntary transfer or is
16 transferred by a political subdivision of the State after that subdivision obtains the
17 vehicle by proceedings pursuant to Title 12 of the Criminal Procedure Article, the
18 transferee shall obtain the inspection certificate from an authorized inspection
19 station. The inspection certificate shall be issued without charge and attached to a
20 window of the vehicle.

21 (4) In the case of a transfer of any used vehicle registered, or to be
22 registered, as a Class E (truck) exceeding three-fourths ton manufacturer's rated
23 capacity, Class F (tractor), Class G (freight trailer or semitrailer), or Class G (dump
24 service semitrailer) vehicle, the transferor or the transferee of the vehicle may obtain
25 the required inspection certificate.

26 (5) In the case of a transfer of any used vehicle registered or to be
27 registered, that is sold for dismantling or rebuilding purposes, the transferor or the
28 transferee of the vehicle may obtain the required inspection certificate.

29 (6) On applying for a certificate of title of the vehicle, the transferee shall
30 remove the inspection certificate from the vehicle and present it to the
31 Administration.

32 25-102.

33 (a) The provisions of the Maryland Vehicle Law do not prevent a local
34 authority, in the reasonable exercise of its police power, from exercising the following
35 powers as to highways under its jurisdiction:

36 (14) (i) Except in Garrett County, designating a certain portion of
37 highways or roadways upon which snowmobiles may travel for the sole purpose of
38 gaining access to snowmobile trails which have been designated by the Department of

1 Natural Resources. However, only those highways and roadways which divide
 2 snowmobile trails and which would otherwise obstruct direct access between
 3 snowmobile trails may be so designated; and

4 (ii) In Garrett County, permitting a person to cross a highway or
 5 roadway on a snowmobile at a right angle, and designating a certain portion of
 6 highways or roadways upon which snowmobiles may travel for the sole purpose of
 7 gaining access to snowmobile trails which have been designated by the Department of
 8 Natural Resources; AND

9 [(15) Requiring a minibike, as defined in § 15-112(a) of this article, to be
 10 registered, and imposing a registration fee; and]

11 [(16)] (15) In Allegany County, designating crossings on county highways
 12 where a person operating a golf cart may cross the highway for continued access to
 13 any portion of a golf course.

14 [25-102.1.

15 (a) (1) In this section, "off-the-road motorcycle" means a motorcycle not
 16 otherwise registered under this article.

17 (2) "Off-the-road motorcycle" includes motorcycles designed for
 18 off-the-road operation, motorcycles not otherwise eligible for registration under this
 19 article, and motorcycles commonly referred to as "dirt bikes".

20 (b) Each county and Baltimore City may regulate the operation of
 21 off-the-road motorcycles, require them to be registered, and impose a registration fee
 22 for them.]

23 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 24 read as follows:

25 **Article - Transportation**

26 13-809.

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

28 (2) "Fair market value" means:

29 (i) Except as provided in [item] ITEMS (iv) AND (VI) of this
 30 paragraph, as to the sale of any new or used vehicle by a licensed dealer, the total
 31 purchase price, as certified by the dealer;

32 (ii) [As] EXCEPT AS PROVIDED IN ITEM (VI) OF THIS PARAGRAPH,
 33 AS to a used vehicle that is sold by any person other than a licensed dealer and that
 34 has a designated model year that is 7 years old or older, the greater of:

35 1. The total purchase price; or

1 2. \$640;

2 (iii) [As] EXCEPT AS PROVIDED IN ITEM (VI) OF THIS PARAGRAPH,
3 AS to any other used vehicle that is sold by any person other than a licensed dealer:

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

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

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

13 B. The valuation shown in the national publication of used
14 car values, if the Administration finds that the documentation submitted under
15 subsection (d)(2) of this section fails to verify the total purchase price;

16 (iv) As to the sale of any new or used motor home or travel trailer by
17 a licensed dealer, or a dealer licensed by another state or a foreign country, the total
18 purchase price, as defined in paragraph (4)(ii) of this subsection, as certified by the
19 dealer on a form acceptable to the Administration; [and]

20 (v) In any other case, the valuation shown in a national publication
21 of used car values adopted for use by the Department; AND

22 (VI) IN THE CASE OF A NEW OR USED OFF-HIGHWAY VEHICLE,
23 REGARDLESS OF THE AGE OF THE VEHICLE, THE TOTAL PURCHASE PRICE AS
24 VERIFIED TO THE SATISFACTION OF THE ADMINISTRATION BY A BILL OF SALE OR
25 OTHER ACCEPTABLE DOCUMENTATION.

26 (3) "Motor home" has the meaning stated in § 11-134.3 of this article.

27 (4) "Total purchase price" means:

28 (i) Except as provided in item (ii) of this paragraph, the price of a
29 vehicle agreed on by the buyer and the seller, including any dealer processing charge,
30 with no allowance for trade-in or other nonmonetary consideration; and

31 (ii) In the case of a motor home or travel trailer, the price of the
32 motor home or travel trailer agreed on by the buyer and the seller less the value, not
33 to exceed the value shown in a national publication of used motor home and travel
34 trailer values adopted for use by the Department, of any motor home or travel trailer
35 that is traded in as part of the consideration of the sale.

36 (5) "Travel trailer" has the meaning stated in § 11-170 of this article.

1 (b) (1) Except as otherwise provided in this part, in addition to any other
2 charge required by the Maryland Vehicle Law, an excise tax is imposed:

3 (i) For each original and each subsequent certificate of title issued
4 in this State for a motor vehicle, trailer, or semitrailer; and

5 (ii) Except as provided in paragraph (2) of this subsection, for each
6 motor vehicle, trailer, or semitrailer that is in interstate operation and registered
7 under § 13-109(c) or (d) of this title without a certificate of title.

8 (2) (i) An excise tax of \$50 is imposed for the registration of a trailer
9 exempt from the titling requirement under § 13-102(12) of this title.

10 (ii) In a case where the fair market value as defined in subsection
11 (a)(2)(iii)2A of this section applies, the excise tax imposed under this part may not be
12 less than \$32.

13 (3) A political subdivision of the State may not impose a sales tax, a use
14 tax, or excise tax on the issuance of a motor vehicle certificate of title.

15 (c) (1) Except as provided in subsection (b)(2) of this section, the tax
16 imposed by this section is 5 percent of the fair market value of the vehicle.

17 (2) If the vehicle formerly was a vehicle exempt from the tax imposed by
18 this section, the tax shall be reduced by any amount previously paid by the present
19 owner as a sales and use tax on the vehicle under Title 11 of the Tax - General Article.

20 (3) (i) If the vehicle was formerly titled and registered in another state
21 and the present owner has not been a Maryland resident for more than 60 days and
22 has paid a sales or excise tax to that state at a rate less than that imposed by this
23 State, then the tax imposed shall apply but at a rate measured by the difference only
24 between the tax rate paid to the other state and the tax rate imposed by this section.

25 (ii) If the vehicle was formerly titled and registered in another state
26 and the present owner requests to transfer the vehicle in accordance with §
27 13-810(c)(1) of this subtitle, the Administration shall change or correct the names
28 contained in the certificate of title:

29 1. At the time the excise tax that is credited or imposed
30 under this section is paid and a new title is issued; and

31 2. Without issuing multiple certificates of title or charging
32 additional fees.

33 (iii) Except as provided in subsection (b)(2) of this section, the
34 minimum tax imposed under this section shall be \$100.

35 (d) Each applicant for a certificate of title or for registration under § 13-109(c)
36 of this title shall submit to the Administration:

1 (1) The information that the Administration considers necessary as to:

2 (i) The time of purchase of the vehicle; and

3 (ii) The purchase price and other information relating to the
4 determination of the fair market value of the vehicle which may include, but is not
5 limited to:

6 1. Canceled checks;

7 2. Money order receipts;

8 3. Loan documents; or

9 4. A written description of the vehicle's condition; and

10 (2) If the excise tax is based on the total purchase price of the vehicle as
11 provided in subsection (a)(2)(iii)2A of this section, a notarized bill of sale that:

12 (i) Is designed by, and obtained from, the Administration;

13 (ii) Is signed by the buyer and the seller; and

14 (iii) Includes a statement explaining why the vehicle was sold at the
15 price stated in the bill of sale.

16 (e) Any person who fails to pay the excise tax as required in this section is
17 guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000.

18 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
19 read as follows:

20 **Article - Transportation**

21 13-809.

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

23 (2) "Fair market value" means:

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

27 (ii) [As] EXCEPT AS PROVIDED IN ITEM (V) OF THIS PARAGRAPH,
28 AS to a used vehicle that is sold by any person other than a licensed dealer and that
29 has a designated model year that is 7 years old or older, the greater of:

30 1. The total purchase price; or

31 2. \$640;

1 (iii) [As] EXCEPT AS PROVIDED IN ITEM (V) OF THIS PARAGRAPH,
2 AS to any other used vehicle that is sold by any person other than a licensed dealer:

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

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

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

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

15 (iv) In any other case, the valuation shown in a national publication
16 of used car values adopted for use by the Department; AND

17 (V) IN THE CASE OF A NEW OR USED OFF-HIGHWAY VEHICLE,
18 REGARDLESS OF THE AGE OF THE VEHICLE, THE TOTAL PURCHASE PRICE AS
19 VERIFIED TO THE SATISFACTION OF THE ADMINISTRATION BY A BILL OF SALE OR
20 OTHER ACCEPTABLE DOCUMENTATION.

21 (3) "Total purchase price" means the price of a vehicle agreed on by the
22 buyer and the seller, including any dealer processing charge, with no allowance for
23 trade-in or other nonmonetary consideration.

24 (b) (1) Except as otherwise provided in this part, in addition to any other
25 charge required by the Maryland Vehicle Law, an excise tax is imposed:

26 (i) For each original and each subsequent certificate of title issued
27 in this State for a motor vehicle, trailer, or semitrailer; and

28 (ii) Except as provided in paragraph (2) of this subsection, for each
29 motor vehicle, trailer, or semitrailer that is in interstate operation and registered
30 under § 13-109(c) or (d) of this title without a certificate of title.

31 (2) (i) An excise tax of \$50 is imposed for the registration of a trailer
32 exempt from the titling requirement under § 13-102(12) of this title.

33 (ii) In a case where the fair market value as defined in subsection
34 (a)(2)(iii)2A of this section applies, the excise tax imposed under this part may not be
35 less than \$32.

36 (3) A political subdivision of the State may not impose a sales tax, a use
37 tax, or excise tax on the issuance of a motor vehicle certificate of title.

1 (c) (1) Except as provided in subsection (b)(2) of this section, the tax
2 imposed by this section is 5 percent of the fair market value of the vehicle.

3 (2) If the vehicle formerly was a vehicle exempt from the tax imposed by
4 this section, the tax shall be reduced by any amount previously paid by the present
5 owner as a sales and use tax on the vehicle under Title 11 of the Tax - General Article.

6 (3) (i) If the vehicle was formerly titled and registered in another state
7 and the present owner has not been a Maryland resident for more than 60 days and
8 has paid a sales or excise tax to that state at a rate less than that imposed by this
9 State, then the tax imposed shall apply but at a rate measured by the difference only
10 between the tax rate paid to the other state and the tax rate imposed by this section.

11 (ii) If the vehicle was formerly titled and registered in another state
12 and the present owner requests to transfer the vehicle in accordance with §
13 13-810(c)(1) of this subtitle, the Administration shall change or correct the names
14 contained in the certificate of title:

15 1. At the time the excise tax that is credited or imposed
16 under this section is paid and a new title is issued; and

17 2. Without issuing multiple certificates of title or charging
18 additional fees.

19 (iii) Except as provided in subsection (b)(2) of this section, the
20 minimum tax imposed under this section shall be \$100.

21 (d) Each applicant for a certificate of title or for registration under § 13-109(c)
22 of this title shall submit to the Administration:

23 (1) The information that the Administration considers necessary as to:

24 (i) The time of purchase of the vehicle; and

25 (ii) The purchase price and other information relating to the
26 determination of the fair market value of the vehicle which may include, but is not
27 limited to:

28 1. Canceled checks;

29 2. Money order receipts;

30 3. Loan documents; or

31 4. A written description of the vehicle's condition; and

32 (2) If the excise tax is based on the total purchase price of the vehicle as
33 provided in subsection (a)(2)(iii)2A of this section, a notarized bill of sale that:

34 (i) Is designed by, and obtained from, the Administration;

1 (ii) Is signed by the buyer and the seller; and

2 (iii) Includes a statement explaining why the vehicle was sold at the
3 price stated in the bill of sale.

4 (e) Any person who fails to pay the excise tax as required in this section is
5 guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000.

6 SECTION 4. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall
7 take effect on the taking effect of the termination provision specified in Section 5 of
8 Chapters 361 and 362 of the Acts of the General Assembly of 2001. If that termination
9 provision takes effect, Section 2 of this Act shall be abrogated and of no further force
10 and effect. This Act may not be interpreted to have any effect on that termination
11 provision.

12 SECTION 5. AND BE IT FURTHER ENACTED, That, subject to the provisions
13 of Section 4 of this Act, this Act shall take effect October 1, 2004.