

(PRE-FILED)

By: **Delegate Kach**

Requested: August 9, 2005

Introduced and read first time: January 11, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Excise Tax - Trailers**

3 FOR the purpose of altering a certain definition under the motor vehicle excise tax to
4 reduce the minimum fair market value on which the tax is calculated for certain
5 used trailers; defining a certain term; providing for the effective date of certain
6 provisions of this Act; providing for the termination of certain provisions of this
7 Act; and generally relating to the motor vehicle excise tax.

8 BY repealing and reenacting, with amendments,
9 Article - Transportation
10 Section 13-809(a)
11 Annotated Code of Maryland
12 (2002 Replacement Volume and 2005 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article - Transportation
15 Section 13-809(a)
16 Annotated Code of Maryland
17 (2002 Replacement Volume and 2005 Supplement)
18 (As enacted by Chapters 361 and 362 of the Acts of the General Assembly of
19 2001)

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

22 **Article - Transportation**

23 13-809.

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

25 (2) "Fair market value" means:

1 (i) Except as provided in item [(iv)] (V) of this paragraph, as to the
2 sale of any new or used vehicle by a licensed dealer, the total purchase price, as
3 certified by the dealer;

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

7 1. The total purchase price; or

8 2. \$640;

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

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

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

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

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

23 (IV) AS TO A USED TRAILER THAT IS SOLD BY ANY PERSON OTHER
24 THAN A LICENSED DEALER, THE GREATER OF:

25 1. THE TOTAL PURCHASE PRICE; OR

26 2. \$320;

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

31 [(v)] (VI) In any other case, the valuation shown in a national
32 publication of used car values adopted for use by the Department.

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

34 (4) "Total purchase price" means:

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

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

9 (5) "TRAILER" HAS THE MEANING STATED IN § 11-169 OF THIS ARTICLE.

10 [(5)] (6) "Travel trailer" has the meaning stated in § 11-170 of this
 11 article.

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

14 **Article - Transportation**

15 13-809.

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

17 (2) "Fair market value" means:

18 (i) As to the sale of any new or used vehicle by a licensed dealer,
 19 the total purchase price, as certified by the dealer;

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

23 1. The total purchase price; or

24 2. \$640;

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

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

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

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

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

7 (IV) AS TO A USED TRAILER THAT IS SOLD BY ANY PERSON OTHER
8 THAN A LICENSED DEALER, THE GREATER OF:

9 1. THE TOTAL PURCHASE PRICE; OR

10 2. \$320; AND

11 [(iv)] (V) In any other case, the valuation shown in a national
12 publication of used car values adopted for use by the Department.

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

16 (4) "TRAILER" HAS THE MEANING STATED IN § 11-169 OF THIS ARTICLE.

17 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
18 take effect on the taking effect of the termination provision specified in Section 5 of
19 Chapters 361 and 362 of the Acts of the General Assembly of 2001. If that termination
20 provision takes effect, Section 1 of this Act shall be abrogated and of no further force
21 and effect. This Act may not be interpreted to have any effect on that termination
22 provision.

23 SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions
24 of Section 3 of this Act, this Act shall take effect October 1, 2006.