CHAPTER 667

(House Bill 669)

AN ACT concerning

Motor Vehicle Excise Tax - Exemption for Returning Military Members

FOR the purpose of expanding the eligibility for a certain motor vehicle excise tax credit to include a member of the military who returns to Maryland from, or on, active duty and, within a certain time period, applies for titling and registration of a vehicle previously titled and registered in another state; and generally relating to the motor vehicle excise tax.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 13–809(c)

Annotated Code of Maryland

(2006 Replacement Volume and 2007 Supplement)

(As enacted by Chapter 6 of the Acts of the General Assembly of the 2007 Special Session)

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

Article - Transportation

13-809.

- (c) (1) Except as provided in subsection (b)(2) of this section, the tax imposed by this section is 6 percent of the fair market value of the vehicle.
- (2) If the vehicle formerly was a vehicle exempt from the tax imposed by this section, the tax shall be reduced by any amount previously paid by the present owner as a sales and use tax on the vehicle under Title 11 of the Tax General Article.
- (3) (i) 1. In this subparagraph, "military" includes the Commissioned Corps of the Public Health Service, the National Oceanic and Atmospheric Administration, or the Coast and Geodetic Survey.
- 2. If the vehicle was formerly titled and registered in another state and the present owner has paid a sales or excise tax to that state at a rate less than that imposed by this State, then the tax imposed shall apply but at a rate measured by the difference only between the tax rate paid to the other state and the tax rate imposed by this section, if the present owner:

- A. Has not been a Maryland resident for more than 60 days; [or]
- B. Is a member of the military on active duty and has not been a Maryland resident for more than 1 year; **OR**
- C. IS A MARYLAND RESIDENT WHO IS A MEMBER OF THE MILITARY RETURNING TO MARYLAND FROM, OR ON, ACTIVE DUTY AND WHO APPLIES FOR TITLING AND REGISTRATION IN MARYLAND NO MORE THAN 1 YEAR AFTER RETURNING.
- (ii) If the vehicle was formerly titled and registered in another state and the present owner requests to transfer the vehicle in accordance with \$13-810(c)(1)\$ of this subtitle, the Administration shall change or correct the names contained in the certificate of title:
- 1. At the time the excise tax that is credited or imposed under this section is paid and a new title is issued; and
- 2. Without issuing multiple certificates of title or charging additional fees.
- (iii) Except as provided in subsection (b)(2) of this section, the minimum tax imposed under this section shall be \$100.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2008.

Approved by the Governor, May 22, 2008.