

SENATE BILL 34

R4, R6

7lr0010

(PRE-FILED)

By: **Chair, Budget and Taxation Committee (By Request – Departmental – Transportation)**

Requested: October 5, 2016

Introduced and read first time: January 11, 2017

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicles – Leased Vehicles – Inspections, Insurance, and Excise Tax**

3 FOR the purpose of exempting from the motor vehicle excise tax a vehicle that is leased by
4 the State or a political subdivision of the State; prohibiting the Motor Vehicle
5 Administration from issuing, reinstating, or renewing a vehicle registration for a
6 motor vehicle lessee who has an unpaid insurance penalty; exempting a leased
7 vehicle transferred to the lessee at the end of the lease term from the requirement
8 to obtain a motor vehicle safety inspection; and generally relating to leased vehicles.

9 BY repealing and reenacting, with amendments,

10 Article – Transportation

11 Section 13–810(a)(3), 17–106(e)(3), and 23–106(a)(7) and (8)

12 Annotated Code of Maryland

13 (2012 Replacement Volume and 2016 Supplement)

14 BY repealing and reenacting, without amendments,

15 Article – Transportation

16 Section 17–106(e)(1) and 23–106(b)(1) and (2)

17 Annotated Code of Maryland

18 (2012 Replacement Volume and 2016 Supplement)

19 BY adding to

20 Article – Transportation

21 Section 23–106(a)(9)

22 Annotated Code of Maryland

23 (2012 Replacement Volume and 2016 Supplement)

24 **SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,**

25 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Transportation

2 13-810.

3 (a) On issuance in this State of an original or subsequent certificate of title for a
4 vehicle, the vehicle is exempt from the excise tax imposed by this part, if it is:

5 (3) A vehicle owned **OR LEASED** by this State or any political subdivision
6 of this State;

7 17-106.

13 (ii) Each period during which the required security for a vehicle
14 terminates or otherwise lapses shall constitute a separate violation.

(iii) The penalty imposed under this subsection may not exceed \$2,500 for each violation in a 12-month period.

20 (i) Reinstate a registration suspended under this subsection;

(ii) Except for a temporary registration as provided under § 13-602(a)(2) of this article, issue a new registration for any vehicle that is owned, [or] co-owned, **OR LEASED** by that person and is titled after the violation date; or

26 23-106

27 (a) This section does not apply to:

(7) Any transfer of a used island vehicle, as defined in § 13-935 of this article, registered or to be registered, as a Class K (farm area/island) vehicle; [or]

30 (8) Any transfer of an off-highway recreational vehicle: OR

5 (i) Prepare an inspection certificate; or

(ii) Have an inspection certificate prepared by another inspection station.

(2) Except as provided in paragraphs (4) and (5) of this subsection, if any other person transfers a used vehicle, the person shall obtain an inspection certificate from an inspection station.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2017.