

## VIRGINIA ACTS OF ASSEMBLY — CHAPTER

*An Act to amend and reenact § 46.2-752, as it is currently effective and as it shall become effective, of the Code of Virginia, relating to local motor vehicle taxes and fees.*

[S 350]

Approved

**Be it enacted by the General Assembly of Virginia:**

**1. That § 46.2-752, as it is currently effective and as it shall become effective, of the Code of Virginia, is amended and reenacted as follows:**

§ 46.2-752. (Effective until July 1, 2005) Taxes and license fees imposed by counties, cities, and towns; limitations on amounts; disposition of revenues; requiring evidence of payment of personal property taxes and certain fines; prohibiting display of licenses after expiration; failure to display valid local license required by other localities; penalty.

A. Except as provided in § 46.2-755, counties, cities, and towns may levy and assess taxes and charge license fees on motor vehicles, trailers, and semitrailers. However, none of these taxes and license fees shall be assessed or charged by any county on vehicles owned by residents of any town located in the county when such town constitutes a separate school district if the vehicles are already subject to town license fees and taxes. The amount of the license fee or tax imposed by any county, city, or town on any motor vehicle, trailer, or semitrailer shall not be greater than the amount of the license tax imposed by the Commonwealth on the motor vehicle, trailer, or semitrailer. The license fees and taxes shall be imposed in such manner, on such basis, for such periods, and subject to proration for fractional periods of years, as the proper local authorities may determine. Local licenses may be issued free of charge for any or all of the following:

1. Vehicles powered by clean special fuels as defined in § 46.2-749.3, including dual-fuel and bi-fuel vehicles,

2. Vehicles owned by volunteer rescue squads,

3. Vehicles owned by volunteer fire departments,

4. Vehicles owned or leased by active members *or active auxiliary members* of volunteer rescue squads,

5. Vehicles owned or leased by active members *or active auxiliary members* of volunteer fire departments,

6. Vehicles owned or leased by auxiliary police officers,

7. Vehicles owned or leased by volunteer police chaplains,

8. Vehicles owned by surviving spouses of persons qualified to receive special license plates under § 46.2-739,

9. Vehicles owned or leased by auxiliary deputy sheriffs or volunteer deputy sheriffs,

10. Vehicles owned by persons qualified to receive special license plates under § 46.2-739,

11. Vehicles owned by any of the following who served at least 10 years in the locality: former members of volunteer rescue squads, former members of volunteer fire departments, former auxiliary police officers, former volunteer police chaplains, and former volunteer special police officers appointed under § 15.2-1737. In the case of active members of volunteer rescue squads and volunteer fire departments, applications for such licenses shall be accompanied by written evidence, in a form acceptable to the locality, of their active membership, and no member shall be issued more than one such license free of charge, or

12. All vehicles having a situs for the imposition of licensing fees under this section in the locality.

The governing body of any county, city, or town issuing licenses under this section may by ordinance provide for a ~~fifty~~ 50 percent reduction in the fee charged for the issuance of any such license issued for any vehicle owned or leased by any person who is 65 years old or older. No such discount, however, shall be available for more than one vehicle owned or leased by the same person.

The governing body of any county, city, or town issuing licenses free of charge under this subsection may by ordinance provide for (i) the limitation, restriction, or denial of such free issuance to an otherwise qualified applicant, including without limitation the denial of free issuance to a taxpayer who has failed to timely pay personal property taxes due with respect to the vehicle and (ii) the grounds for such limitation, restriction, or denial.

The situs for the imposition of licensing fees under this section shall in all cases, except as hereinafter provided, be the county, city, or town in which the motor vehicle, trailer, or semitrailer is normally garaged, stored, or parked. If it cannot be determined where the personal property is normally

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garaged, stored, or parked, the situs shall be the domicile of its owner. In the event the owner of the motor vehicle is a full-time student attending an institution of higher education, the situs shall be the domicile of such student, provided the student has presented sufficient evidence that he has paid a personal property tax on the motor vehicle in his domicile.

B. The revenue derived from all county, city, or town taxes and license fees imposed on motor vehicles, trailers, or semitrailers shall be applied to general county, city, or town purposes.

C. A county, city, or town may require that no motor vehicle, trailer, or semitrailer shall be locally licensed until the applicant has produced satisfactory evidence that all personal property taxes on the motor vehicle, trailer, or semitrailer to be licensed have been paid and satisfactory evidence that any delinquent motor vehicle, trailer, or semitrailer personal property taxes owing have been paid which have been properly assessed or are assessable against the applicant by the county, city, or town. A county, city, or town may also provide that no motor vehicle license shall be issued unless the tangible personal property taxes properly assessed or assessable by that locality on any tangible personal property used or usable as a dwelling titled by the Department of Motor Vehicles and owned by the taxpayer have been paid. Any county and any town within any such county may by agreement require that all personal property taxes assessed by either the county or the town on any vehicle be paid before licensure of such vehicle by either the county or the town.

C1. Any county having a population of at least 24,000, but no more than 24,600, or having a population of at least 39,550, but no more than 41,550, may, by ordinance or resolution adopted after public notice and hearing and, with the consent of the treasurer, require that no license may be issued under this section unless the applicant has produced satisfactory evidence that all fees, including delinquent fees, payable to such county or local solid waste authority, for the disposal of solid waste pursuant to the Virginia Water and Waste Authorities Act (§ 15.2-5100 et seq.), or pursuant to § 15.2-2159, have been paid in full. For purposes of this subsection, all fees, including delinquent fees, payable to a county for waste disposal services described herein, shall be paid to the treasurer of such county; however, in any county with a population between 39,550 and 41,550, the fee shall be paid to the county or its agent.

D. The Counties of Arlington, Fairfax, Loudoun, and Prince William and towns within them and any city may require that no motor vehicle, trailer, or semitrailer shall be licensed by that jurisdiction unless all fines owed to the jurisdiction by the owner of the vehicle, trailer, or semitrailer for violation of the jurisdiction's ordinances governing parking of vehicles have been paid. The provisions of this subsection shall not apply to vehicles owned by firms or companies in the business of renting motor vehicles.

E. If in any county imposing license fees and taxes under this section, a town therein imposes like fees and taxes on vehicles of owners resident in the town, the owner of any vehicle subject to the fees or taxes shall be entitled, on the owner's displaying evidence that he has paid the fees or taxes, to receive a credit on the fees or taxes imposed by the county to the extent of the fees or taxes he has paid to the town. Nothing in this section shall deprive any town now imposing these licenses and taxes from increasing them or deprive any town not now imposing them from hereafter doing so, but subject to the limitations provided in subsection D of this section. The governing body of any county and the governing body of any town in that county wherein each imposes the license tax herein provided may provide mutual agreements so that not more than one license plate or decal in addition to the state plate shall be required.

F. Notwithstanding the provisions of subsection E of this section, in a consolidated county wherein a tier-city exists, the tier-city may, in accordance with the provisions of the agreement or plan of consolidation, impose license fees and taxes under this section in addition to those fees and taxes imposed by the county, provided that the combined county and tier-city rates do not exceed the maximum provided in subsection A of this section. No credit shall be allowed on the fees or taxes imposed by the county for fees or taxes paid to the tier-city, except as may be provided by the consolidation agreement or plan. The governing body of any county and the governing body of any tier-city in such county wherein each imposes the license tax herein may provide by mutual agreement that no more than one license plate or decal in addition to the state license plate shall be required.

G. Any county, city, or town may by ordinance provide that it shall be unlawful for any owner or operator of a motor vehicle, trailer, or semitrailer to fail to obtain and display the local license required by any ordinance of the county, city or town in which the vehicle is registered or to display upon a motor vehicle, trailer, or semitrailer any such local license after its expiration date. The ordinance may provide that a violation shall constitute a misdemeanor the penalty for which shall not exceed that of a Class 4 misdemeanor and may, in the case of a motor vehicle registered to a resident of the locality where such vehicle is registered, authorize the issuance by local law-enforcement officers of citations, summonses, parking tickets, or uniform traffic summonses for violations. Any such ordinance may also provide that a violation of the ordinance by the registered owner of the vehicle may not be discharged by payment of a fine except upon presentation of satisfactory evidence that the required license has been

obtained.

H. Except as provided by subsections E and F, no vehicle shall be subject to taxation under the provisions of this section in more than one jurisdiction.

I. Purchasers of new or used motor vehicles shall be allowed at least a 10-day grace period, beginning with the date of purchase, during which to pay license fees charged by local governments under authority of this section.

J. Beginning October 1, 1992, the treasurer or director of finance of any county, city, or town may enter into an agreement with the Commissioner whereby the Commissioner will refuse to issue or renew any vehicle registration of any applicant therefor who owes to such county, city or town any local vehicle license fees or delinquent tangible personal property tax or parking citations issued only to residents of such county, city, or town. Before being issued any vehicle registration or renewal of such license or registration by the Commissioner, the applicant shall first satisfy all such local vehicle license fees and delinquent taxes or parking citations and present evidence satisfactory to the Commissioner that all such local vehicle license fees and delinquent taxes or parking citations have been paid in full. The Commissioner shall charge a reasonable fee to cover the costs of such enforcement action, and the treasurer or director of finance may add the cost of this fee to the delinquent tax bill or the amount of the parking citation. The treasurer or director of finance of any county, city, or town seeking to collect delinquent taxes or parking citations through the withholding of registration or renewal thereof by the Commissioner as provided for in this subsection shall notify the Commissioner in the manner provided for in his agreement with the Commissioner and supply to the Commissioner information necessary to identify the debtor whose registration or renewal is to be denied. Any agreement entered into pursuant to the provisions of this subsection shall provide the debtor notice of the intent to deny renewal of registration at least ~~thirty~~ 30 days prior to the expiration date of a current vehicle registration. For the purposes of this subsection, notice by first-class mail to the registrant's address as maintained in the records of the Department of Motor Vehicles shall be deemed sufficient. In the case of parking violations, the Commissioner shall only refuse to issue or renew the vehicle registration of any applicant therefor pursuant to this subsection for the vehicle that incurred the parking violations. The provisions of this subsection shall not apply to vehicles owned by firms or companies in the business of renting motor vehicles.

K. The governing bodies of any two or more counties, cities, or towns may enter into compacts for the regional enforcement of local motor vehicle license requirements. The governing body of each participating jurisdiction may by ordinance require the owner or operator of any motor vehicle, trailer, or semitrailer to display on his vehicle a valid local license issued by another county, city, or town that is a party to the regional compact, provided that the owner or operator is required by the jurisdiction of situs, as provided in § 58.1-3511, to obtain and display such license. The ordinance may also provide that no motor vehicle, trailer, or semitrailer shall be locally licensed until the applicant has produced satisfactory evidence that (i) all personal property taxes on the motor vehicle, trailer, or semitrailer to be licensed have been paid to all participating jurisdictions and (ii) any delinquent motor vehicle, trailer, or semitrailer personal property taxes that have been properly assessed or are assessable by any participating jurisdiction against the applicant have been paid. Any city and any county having the urban county executive form of government, the counties adjacent to such county and towns within them may require that no motor vehicle, trailer, or semitrailer shall be licensed by that jurisdiction or any other jurisdiction in the compact unless all fines owed to any participating jurisdiction by the owner of the vehicle for violation of any participating jurisdiction's ordinances governing parking of vehicles have been paid. The ordinance may further provide that a violation shall constitute a misdemeanor the penalty for which shall not exceed that of a Class 4 misdemeanor. Any such ordinance may also provide that a violation of the ordinance by the owner of the vehicle may not be discharged by payment of a fine except upon presentation of satisfactory evidence that the required license has been obtained. The provisions of this subsection shall not apply to vehicles owned by firms or companies in the business of renting motor vehicles.

L. In addition to the taxes and license fees permitted in subsection A, counties, cities, and towns may charge a license fee of no more than \$1 per motor vehicle, trailer, and semitrailer. Except for the provisions of subsection B, such fee shall be subject to all other provisions of this section. All funds collected pursuant to this subsection shall be paid pursuant to § 51.1-1204 to the Volunteer Firefighters' and Rescue Squad Workers' Service Award Fund to the accounts of all members of the Fund who are volunteers for fire departments or rescue squads within the jurisdiction of the particular county, city, or town.

§ 46.2-752. (Effective July 1, 2005) Taxes and license fees imposed by counties, cities, and towns; limitations on amounts; disposition of revenues; requiring evidence of payment of personal property taxes and certain fines; prohibiting display of licenses after expiration; failure to display valid local license required by other localities; penalty.

179 A. Except as provided in § 46.2-755, counties, cities, and towns may levy and assess taxes and  
 180 charge license fees on motor vehicles, trailers, and semitrailers. However, none of these taxes and  
 181 license fees shall be assessed or charged by any county on vehicles owned by residents of any town  
 182 located in the county when such town constitutes a separate school district if the vehicles are already  
 183 subject to town license fees and taxes. The amount of the license fee or tax imposed by any county,  
 184 city, or town on any motor vehicle, trailer, or semitrailer shall not be greater than the amount of the  
 185 license tax imposed by the Commonwealth on the motor vehicle, trailer, or semitrailer. The license fees  
 186 and taxes shall be imposed in such manner, on such basis, for such periods, and subject to proration for  
 187 fractional periods of years, as the proper local authorities may determine. Local licenses may be issued  
 188 free of charge for any or all of the following:

189 1. Vehicles powered by clean special fuels as defined in § 46.2-749.3, including dual-fuel and bi-fuel  
 190 vehicles,

191 2. Vehicles owned by volunteer rescue squads,

192 3. Vehicles owned by volunteer fire departments,

193 4. Vehicles owned or leased by active members *or active auxiliary members* of volunteer rescue  
 194 squads,

195 5. Vehicles owned or leased by active members *or active auxiliary members* of volunteer fire  
 196 departments,

197 6. Vehicles owned or leased by auxiliary police officers,

198 7. Vehicles owned or leased by volunteer police chaplains,

199 8. Vehicles owned by surviving spouses of persons qualified to receive special license plates under  
 200 § 46.2-739,

201 9. Vehicles owned or leased by auxiliary deputy sheriffs or volunteer deputy sheriffs,

202 10. Vehicles owned by persons qualified to receive special license plates under § 46.2-739,

203 11. Vehicles owned by any of the following who served at least ~~ten~~ 10 years in the locality: former  
 204 members of volunteer rescue squads, former members of volunteer fire departments, former auxiliary  
 205 police officers, former volunteer police chaplains, and former volunteer special police officers appointed  
 206 under § 15.2-1737. In the case of active members of volunteer rescue squads and volunteer fire  
 207 departments, applications for such licenses shall be accompanied by written evidence, in a form  
 208 acceptable to the locality, of their active membership, and no member shall be issued more than one  
 209 such license free of charge, or

210 12. All vehicles having a situs for the imposition of licensing fees under this section in the locality.

211 The governing body of any county, city, or town issuing licenses under this section may by  
 212 ordinance provide for a ~~fifty~~ 50 percent reduction in the fee charged for the issuance of any such license  
 213 issued for any vehicle owned or leased by any person who is ~~sixty-five~~ 65 years old or older. No such  
 214 discount, however, shall be available for more than one vehicle owned or leased by the same person.

215 The governing body of any county, city, or town issuing licenses free of charge under this subsection  
 216 may by ordinance provide for (i) the limitation, restriction, or denial of such free issuance to an  
 217 otherwise qualified applicant, including without limitation the denial of free issuance to a taxpayer who  
 218 has failed to timely pay personal property taxes due with respect to the vehicle and (ii) the grounds for  
 219 such limitation, restriction, or denial.

220 The situs for the imposition of licensing fees under this section shall in all cases, except as  
 221 hereinafter provided, be the county, city, or town in which the motor vehicle, trailer, or semitrailer is  
 222 normally garaged, stored, or parked. If it cannot be determined where the personal property is normally  
 223 garaged, stored, or parked, the situs shall be the domicile of its owner. In the event the owner of the  
 224 motor vehicle is a full-time student attending an institution of higher education, the situs shall be the  
 225 domicile of such student, provided the student has presented sufficient evidence that he has paid a  
 226 personal property tax on the motor vehicle in his domicile.

227 B. The revenue derived from all county, city, or town taxes and license fees imposed on motor  
 228 vehicles, trailers, or semitrailers shall be applied to general county, city, or town purposes.

229 C. A county, city, or town may require that no motor vehicle, trailer, or semitrailer shall be locally  
 230 licensed until the applicant has produced satisfactory evidence that all personal property taxes on the  
 231 motor vehicle, trailer, or semitrailer to be licensed have been paid and satisfactory evidence that any  
 232 delinquent motor vehicle, trailer, or semitrailer personal property taxes owing have been paid which  
 233 have been properly assessed or are assessable against the applicant by the county, city, or town. A  
 234 county, city, or town may also provide that no motor vehicle license shall be issued unless the tangible  
 235 personal property taxes properly assessed or assessable by that locality on any tangible personal property  
 236 used or usable as a dwelling titled by the Department of Motor Vehicles and owned by the taxpayer  
 237 have been paid. Any county and any town within any such county may by agreement require that all  
 238 personal property taxes assessed by either the county or the town on any vehicle be paid before  
 239 licensure of such vehicle by either the county or the town.

C1. Any county having a population of at least 24,000, but no more than 24,600, or having a population of at least 39,550, but no more than 41,550, may, by ordinance or resolution adopted after public notice and hearing and, with the consent of the treasurer, require that no license may be issued under this section unless the applicant has produced satisfactory evidence that all fees, including delinquent fees, payable to such county or local solid waste authority, for the disposal of solid waste pursuant to the Virginia Water and Waste Authorities Act (§ 15.2-5100 et seq.), or pursuant to § 15.2-2159, have been paid in full. For purposes of this subsection, all fees, including delinquent fees, payable to a county for waste disposal services described herein, shall be paid to the treasurer of such county; however, in any county with a population between 39,550 and 41,550, the fee shall be paid to the county or its agent.

D. The Counties of Arlington, Fairfax, Loudoun, and Prince William and towns within them and any city may require that no motor vehicle, trailer, or semitrailer shall be licensed by that jurisdiction unless all fines owed to the jurisdiction by the owner of the vehicle, trailer, or semitrailer for violation of the jurisdiction's ordinances governing parking of vehicles have been paid. The provisions of this subsection shall not apply to vehicles owned by firms or companies in the business of renting motor vehicles.

E. If in any county imposing license fees and taxes under this section, a town therein imposes like fees and taxes on vehicles of owners resident in the town, the owner of any vehicle subject to the fees or taxes shall be entitled, on the owner's displaying evidence that he has paid the fees or taxes, to receive a credit on the fees or taxes imposed by the county to the extent of the fees or taxes he has paid to the town. Nothing in this section shall deprive any town now imposing these licenses and taxes from increasing them or deprive any town not now imposing them from hereafter doing so, but subject to the limitations provided in subsection D of this section. The governing body of any county and the governing body of any town in that county wherein each imposes the license tax herein provided may provide mutual agreements so that not more than one license plate or decal in addition to the state plate shall be required.

F. Notwithstanding the provisions of subsection E of this section, in a consolidated county wherein a tier-city exists, the tier-city may, in accordance with the provisions of the agreement or plan of consolidation, impose license fees and taxes under this section in addition to those fees and taxes imposed by the county, provided that the combined county and tier-city rates do not exceed the maximum provided in subsection A of this section. No credit shall be allowed on the fees or taxes imposed by the county for fees or taxes paid to the tier-city, except as may be provided by the consolidation agreement or plan. The governing body of any county and the governing body of any tier-city in said county wherein each imposes the license tax herein may provide by mutual agreement that no more than one license plate or decal in addition to the state license plate shall be required.

G. Any county, city, or town may by ordinance provide that it shall be unlawful for any owner or operator of a motor vehicle, trailer, or semitrailer to fail to obtain and display the local license required by any ordinance of the county, city or town in which the vehicle is registered or to display upon a motor vehicle, trailer, or semitrailer any such local license after its expiration date. The ordinance may provide that a violation shall constitute a misdemeanor the penalty for which shall not exceed that of a Class 4 misdemeanor and may, in the case of a motor vehicle registered to a resident of the locality where such vehicle is registered, authorize the issuance by local law-enforcement officers of citations, summonses, parking tickets, or uniform traffic summonses for violations. Any such ordinance may also provide that a violation of the ordinance by the registered owner of the vehicle may not be discharged by payment of a fine except upon presentation of satisfactory evidence that the required license has been obtained.

H. Except as provided by subsections E and F, no vehicle shall be subject to taxation under the provisions of this section in more than one jurisdiction.

I. Purchasers of new or used motor vehicles shall be allowed at least a ~~ten~~ 10-day grace period, beginning with the date of purchase, during which to pay license fees charged by local governments under authority of this section.

J. Beginning October 1, 1992, the treasurer or director of finance of any county, city, or town may enter into an agreement with the Commissioner whereby the Commissioner will refuse to issue or renew any vehicle registration of any applicant therefor who owes to such county, city or town any local vehicle license fees or delinquent tangible personal property tax. Before being issued any vehicle registration or renewal of such license or registration by the Commissioner, the applicant must first satisfy all such local vehicle license fees and delinquent taxes and present evidence satisfactory to the Commissioner that all such local vehicle license fees and delinquent taxes have been paid in full. The Commissioner shall charge a reasonable fee to cover the costs of such enforcement action, and the treasurer or director of finance may add the cost of this fee to the delinquent tax bill. The treasurer or director of finance of any county, city, or town seeking to collect delinquent taxes through the withholding of registration or renewal thereof by the Commissioner as provided for in this subsection

301 shall notify the Commissioner in the manner provided for in his agreement with the Commissioner and  
302 supply to the Commissioner information necessary to identify the debtor whose registration or renewal is  
303 to be denied. Any agreement entered into pursuant to the provisions of this subsection shall provide the  
304 debtor notice of the intent to deny renewal of registration at least ~~thirty~~ 30 days prior to the expiration  
305 date of a current vehicle registration. For the purposes of this subsection, notice by first-class mail to the  
306 registrant's address as maintained in the records of the Department of Motor Vehicles shall be deemed  
307 sufficient.

308 K. The governing bodies of any two or more counties, cities, or towns may enter into compacts for  
309 the regional enforcement of local motor vehicle license requirements. The governing body of each  
310 participating jurisdiction may by ordinance require the owner or operator of any motor vehicle, trailer,  
311 or semitrailer to display on his vehicle a valid local license issued by another county, city, or town that  
312 is a party to the regional compact, provided that the owner or operator is required by the jurisdiction of  
313 situs, as provided in § 58.1-3511, to obtain and display such license. The ordinance may also provide  
314 that no motor vehicle, trailer, or semitrailer shall be locally licensed until the applicant has produced  
315 satisfactory evidence that (i) all personal property taxes on the motor vehicle, trailer, or semitrailer to be  
316 licensed have been paid to all participating jurisdictions and (ii) any delinquent motor vehicle, trailer, or  
317 semitrailer personal property taxes that have been properly assessed or are assessable by any  
318 participating jurisdiction against the applicant have been paid. Any city and any county having the urban  
319 county executive form of government, the counties adjacent to such county and towns within them may  
320 require that no motor vehicle, trailer, or semitrailer shall be licensed by that jurisdiction or any other  
321 jurisdiction in the compact unless all fines owed to any participating jurisdiction by the owner of the  
322 vehicle for violation of any participating jurisdiction's ordinances governing parking of vehicles have  
323 been paid. The ordinance may further provide that a violation shall constitute a misdemeanor the penalty  
324 for which shall not exceed that of a Class 4 misdemeanor. Any such ordinance may also provide that a  
325 violation of the ordinance by the owner of the vehicle may not be discharged by payment of a fine  
326 except upon presentation of satisfactory evidence that the required license has been obtained. The  
327 provisions of this subsection shall not apply to vehicles owned by firms or companies in the business of  
328 renting motor vehicles.

329 L. In addition to the taxes and license fees permitted in subsection A, counties, cities, and towns may  
330 charge a license fee of no more than ~~one dollar~~ \$1 per motor vehicle, trailer, and semitrailer. Except for  
331 the provisions of subsection B, such fee shall be subject to all other provisions of this section. All funds  
332 collected pursuant to this subsection shall be paid pursuant to § 51.1-1204 to the Volunteer Firefighters'  
333 and Rescue Squad Workers' Service Award Fund to the accounts of all members of the Fund who are  
334 volunteers for fire departments or rescue squads within the jurisdiction of the particular county, city, or  
335 town.