

# DEPARTMENT OF TAXATION

## 2005 Fiscal Impact Statement

1. **Patron** R. Steven Landes

2. **Bill Number** HB 1667

3. **Committee** Senate Finance

**House of Origin:**

☐ Introduced

☐ Substitute

☐ Engrossed

4. **Title** Local Taxes; Seizure and Sale of  
Highway Vehicles for Unpaid Taxes

**Second House:**

☒ In Committee

☐ Substitute

☐ Enrolled

### 5. **Summary/Purpose:**

This bill would make a technical correction clarifying which highway vehicles generally may not be seized and sold for unpaid taxes, levies, or other charges by providing a definition for "highway vehicle."

The statute currently incorporates by reference a substantively identical definition set forth in a repealed statute.

The effective date of this bill is not specified.

### 6. **No Fiscal Impact.**

7. **Budget amendment necessary:** No.

### 8. **Fiscal implications:**

This bill would have no impact on state or local revenues.

### 9. **Specific agency or political subdivisions affected:**

All localities.

10. **Technical amendment necessary:** No.

### 11. **Other comments:**

The treasurer, sheriff, constable or collector of a locality may seize and sell personal property located in the locality that is owned by a person owing taxes. The property may generally be seized even if it is in the hands of a third party. However, highway vehicle purchased by a bona fide purchaser for value may not be seized and sold for taxes unless the purchaser knew at the time of purchase that the taxes had been specifically assessed against such vehicle.

Current law defines “highway vehicle” by reference to a definition in a section repealed in 2001. This bill would simply set forth a substantially identical definition of what was repealed.

This bill would define “highway vehicle” to mean any vehicle operated, or intended to be operated, on a highway. The term does not include: (1) farm machinery; (2) a vehicle operated on rails; (3) machinery designed principally for off-road use; (4) self-propelled equipment manufactured for a specific off-road purpose, which is used on a job site; or (5) a vehicle operated on the highway and exempt from registration requirements. This definition is substantively identical to the previous definition found in *Va. Code* § 58.1-2201, which was repealed in 2001.

cc : Secretary of Finance

Date: 2/7/2005 JEM

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