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HOUSE BILL NO. 2640

House Amendments in [] - February 3, 2007

A *BILL to amend and reenact § 46.2-755 of the Code of Virginia, relating to imposition of local taxes and fees on inoperable vehicles.*

Patron Prior to Engrossment—Delegate Gear

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:**1. That § 46.2-755 of the Code of Virginia is amended and reenacted as follows:**

§ 46.2-755. Limitations on imposition of motor vehicle license taxes and fees.

A. No county, city, or town shall impose any motor vehicle license tax or fee on any motor vehicle, trailer, or semitrailer when:

1. A similar tax or fee is imposed by the county, city, or town wherein the vehicle is normally garaged, stored or parked;

2. The vehicle is owned by a nonresident of such locality and is used exclusively for pleasure or personal transportation and not for hire or for the conduct of any business or occupation other than that set forth in subdivision 3 of this subsection;

3. The vehicle is (i) owned by a nonresident and (ii) used for transporting into and within the locality, for sale in person or by his employees, wood, meats, poultry, fruits, flowers, vegetables, milk, butter, cream, or eggs produced or grown by him, and not purchased by him for sale;

4. The motor vehicle, trailer, or semitrailer is owned by an officer or employee of the Commonwealth who is a nonresident of such county, city, or town and who uses the vehicle in the performance of his duties for the Commonwealth under an agreement for such use;

5. The motor vehicle, trailer, or semitrailer is kept by a dealer or manufacturer for sale or for sales demonstration;

6. The motor vehicle, trailer, or semitrailer is operated by a common carrier of persons or property operating between cities and towns in the Commonwealth and not in intracity transportation or between cities and towns on the one hand and points and places outside cities and towns on the other and not in intracity transportation; or

7. ~~The motor vehicle, trailer, or semitrailer [(i) is not in operating condition, (ii) does not display valid license plates, (iii) does not display an inspection decal that is valid, or (iv) displays an inspection decal that has been expired for more than 60 days. is inoperable and unlicensed pursuant to § 46.2-734.~~

B. No county, city, or town shall impose a license fee for any one motor vehicle owned and used personally by any veteran who holds a current state motor vehicle registration card establishing that he has received a disabled veteran's exemption from the Department and has been issued a disabled veteran's motor vehicle license plate as prescribed in § 46.2-739.

C. No county, city, or town shall impose any license tax or license fee or the requirement of a license tag, sticker or decal upon any daily rental vehicle, as defined in § 58.1-2401, the rental of which is subject to the tax imposed by § 58.1-2402 A 4.

D. In the rental agreement between a motor vehicle renting company and a renter, the motor vehicle renting company may separately itemize and charge daily fees or transaction fees to the renter, provided that the amounts of such fees are disclosed at the time of reservation and rental as part of any estimated pricing provided to the renter. Such fees include a vehicle license fee to recover the company's incurred costs in licensing, titling, and registering its rental fleet, concession recovery fees actually charged the company by an airport, or other governmentally owned or operated facility, and consolidated facility charges actually charged by an airport, or other governmentally owned or operated facility for improvements to or construction of facilities at such facility where the motor vehicle rental company operates. The vehicle license fee shall represent the company's good faith estimate of the average per day per vehicle portion of the company's total annual vehicle licensing, titling, and registration costs.

No motor vehicle renting company charging a vehicle license fee, concession recovery fee, or consolidated facility charge may make an advertisement in the Commonwealth that includes a statement of the rental rate for a vehicle available for rent in the Commonwealth unless such advertisement includes a statement that the customer will be required to pay a vehicle license fee, concession recovery fee, or consolidated facility charge. The vehicle license fee, concession recovery fee, or consolidated facility charge shall be shown as a separately itemized charge on the rental agreement. The vehicle license fee shall be described in either the terms and conditions of the rental agreement as the "estimated

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59 average per day per vehicle portion of the company's total annual vehicle licensing, titling, and
60 registration costs" or, for renters participating in an extended rental program pursuant to a master rental
61 agreement, by posting such statement on the rental company website.

62 Any amounts collected by the motor vehicle renting company in excess of the actual amount of its
63 costs incurred relating to its vehicle license fees shall be retained by the motor vehicle renting company
64 and applied toward the recovery of its next calendar year's costs relating to such fees. In such event, the
65 good faith estimate of any vehicle license fee to be charged by the company for the next calendar year
66 shall be reduced to take into account the excess amount collected from the prior year.

67 E. As used in this section, common carrier of persons or property includes any person who
68 undertakes, whether directly or by lease or any other arrangement, to transport passengers or household
69 goods for the general public by motor vehicle for compensation over the highways of the
70 Commonwealth, whether over regular or irregular routes, that has obtained the required certificate of
71 public convenience and necessity from the Department of Motor Vehicles pursuant to § 46.2-2075.