

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number: HB3143

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Reid

3. Committee: Passed Both Houses

4. Title: Local vehicle license taxes and fees.

5. Summary/Purpose: This bill restates the limitation on the amount of any such taxes and fees by replacing the phrase “amount of the license tax” with “annual or one-year fee.”

6. No fiscal impact.

7. Budget amendment necessary: No.

8. Fiscal implications: This bill amends the language in § 46.2-752(A) describing the maximum amount of the license fee or tax that a county, city, or town may levy, assess, or charge on any motor vehicle, trailer, or semitrailer. Replacement of the current phrase would restrict the maximum local license fee to the amount of the registration fee charged by the Commonwealth. The phrase “annual or one-year fee imposed by the Commonwealth” may be understood to refer only to the base registration fee.

However, the revised language may be interpreted to mean that localities may charge up to the total annual amount imposed by the Commonwealth at the time of registration, rather than merely the base registration fee amount. This would permit localities to assess an amount equaling the base registration fee plus other fees charged at the time of registration (e.g., additional fee of \$4 per year for emergency medical service purposes, motorcycle registration surcharge of \$3 to finance the cost of the Motorcycle Rider Safety Training Program, \$1.50 to finance the administrative costs of the motor vehicle safety inspection program, \$1.00 to help fund the 400th anniversary of the Jamestown settlement).

9. Specific agency or political subdivisions affected: Localities.

10. Technical amendment necessary: None.

11. Other comments: Consideration could be given to an amendment defining which annual or one-year fee is intended by the legislation.

Date: 2/15/07/jlv

Document: G:\06-08\07 Budget Development\FIS\HB3143ER.Doc Janet Vogelgesang

cc: Secretary of Transportation