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SENATE BILL NO. 343

Offered January 11, 2012

Prefiled January 10, 2012

A BILL to amend and reenact §§ 46.2-217, 46.2-341.16, 46.2-613.1, 46.2-613.4, 46.2-703, 46.2-725.2, 46.2-2000, 46.2-2001, 46.2-2001.3, 46.2-2011.4, 46.2-2011.8, 46.2-2011.11, 46.2-2155, 58.1-2402, as it is currently effective and as it shall become effective, 58.1-2403, as it is currently effective and as it shall become effective, 58.1-2700.1, 58.1-2700.2, and 58.1-2712.1 of the Code of Virginia and to repeal §§ 46.2-2099.2, 46.2-2099.3, 46.2-2099.7 through 46.2-2099.10, 46.2-2099.12, 46.2-2099.13 through 46.2-2099.16, 46.2-2116, 46.2-2119, and 46.2-2123 of the Code of Virginia, relating to motor carrier and commercial driver licensing laws.

Patron—Newman

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That §§ 46.2-217, 46.2-341.16, 46.2-613.1, 46.2-613.4, 46.2-703, 46.2-725.2, 46.2-2000, 46.2-2001, 46.2-2001.3, 46.2-2011.4, 46.2-2011.8, 46.2-2011.11, 46.2-2155, 58.1-2402, as it is currently effective and as it shall become effective, 58.1-2403, as it is currently effective and as it shall become effective, 58.1-2700.1, 58.1-2700.2, and 58.1-2712.1 of the Code of Virginia are amended and reenacted as follows:

§ 46.2-217. Enforcement of laws by Commissioner; authority of officers.

The Commissioner, his several assistants, including those who are full-time sworn members of the enforcement division of the Department of Motor Vehicles, and police officers appointed by him are vested with the powers of sheriffs for the purpose of enforcing the laws of the Commonwealth which the Commissioner is required to enforce. Such full-time sworn members of the enforcement division of the Department of Motor Vehicles are hereby authorized to enforce the criminal laws of the Commonwealth.

The Commissioner may also appoint or designate any of his staff to be "size and weight compliance agents" who shall thereby have the authority to (i) enforce the requirements for the use of dyed diesel fuel in §§ 58.1-2265 and 58.1-2267; (ii) enforce the requirements of Article 17 (§ 46.2-1122 et seq.) of Chapter 10; (iii) issue citations for violations of license, registration, and tax requirements and vehicle size limits pursuant to § 46.2-613.1; and (iv) carry out the vehicle seizure provisions of §§ 46.2-613.4, 46.2-613.5, *46.2-703,* 46.2-1134, and 46.2-1136 at any permanent weighing station. *For the purposes of this section, a permanent weighing station shall include any location equipped with fixed, permanent scales for weighing motor vehicles.*

Nothing in this title shall relieve any law-enforcement officer, commissioner of the revenue, or any other official invested with police powers and duties, state or local, of the duty of assisting in the enforcement of such laws within the scope of his respective authority and duty.

All law-enforcement officers appointed by the Commissioner may administer oaths and take acknowledgments and affidavits incidental to the administration and enforcement of this title and all other laws relating to the operation of motor vehicles, applications for driver's licenses, and the collection and refunding of taxes levied on gasoline. They shall receive no compensation for administering oaths or taking acknowledgments.

§ 46.2-341.16. Vehicle classifications and endorsements.

A. A commercial driver's license shall authorize the licensee to operate only the classes and types of commercial motor vehicles designated thereon. The classes of commercial motor vehicles for which such license may be issued are:

1. Class A-Combination heavy vehicle. - Any combination of vehicles with a gross combination weight rating of 26,001 or more pounds, provided the gross vehicle weight rating of the vehicles being towed is in excess of 10,000 pounds;

2. Class B-Heavy straight vehicle or other combination. - Any single motor vehicle with a gross vehicle weight rating of 26,001 or more pounds, or any such vehicle towing a vehicle with a gross vehicle weight rating that is not in excess of 10,000 pounds; and

3. Class C-Small vehicle. - Any vehicle that does not fit the definition of a Class A or Class B vehicle and is either (i) designed to transport sixteen or more passengers including the driver or (ii) is used in the transportation of hazardous materials.

B. Commercial driver's licenses shall be issued with endorsements and restrictions authorizing the driver to operate or restricting the driver to the types of vehicles identified as follows:

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1. Type T-Vehicles with double or triple trailers;
2. Type P-Vehicles carrying passengers;
3. Type N-Vehicles with cargo tanks;
4. Type H-Vehicles required to be placarded for hazardous materials;
5. Type K-Vehicles not equipped with air brakes; and
6. Type S-School buses carrying 16 or more passengers, including the driver.

C. Persons authorized to drive Class A vehicles are also authorized to drive Classes B and C vehicles, provided such persons possess the requisite endorsements for the type of vehicle driven.

D. Persons authorized to drive Class B vehicles are also authorized to drive Class C vehicles, provided such persons possess the requisite endorsements for the type of vehicle driven.

E. Any licensee who seeks to add a classification or endorsement to his commercial driver's license must submit the application forms, certifications and other updated information required by the Department and shall take and successfully complete the tests required for such classification or endorsement.

F. If any endorsement to a commercial driver's license is canceled by the Department and the licensee does not appear in person at the Department to have such endorsement removed from the license, then the Department may cancel the commercial driver's license of the licensee.

§ 46.2-613.1. Civil penalty for violation of license, registration, and tax requirements and vehicle size limitations.

A. A civil penalty of $250 and a processing fee of $20 shall be levied against any person who while at a permanent weighing station:

1. Operates or permits the operation of a truck or tractor truck with a gross weight greater than 7,500 pounds, a trailer, or a semitrailer owned, leased, or otherwise controlled by him on any highway in the Commonwealth unless (i) it is registered, (ii) a certificate of title therefor has been issued, and (iii) it has displayed on it the license plate or plates and decal or decals required by this title.

2. Operates or causes to be operated on any highway in the Commonwealth any motor vehicle that is not in compliance with the Unified Carrier Registration System authorized under 49 U.S.C. § 14504a, enacted pursuant to the Unified Carrier Registration Act of 2005, and the federal regulations promulgated thereunder.

3. Operates or permits the operation of any truck or tractor truck for which the fee for registration is prescribed by § 46.2-697 on any highway in the Commonwealth (i) without first having paid the registration fee hereinabove prescribed or (ii) if at the time of operation the gross weight of the vehicle or of the combination of vehicles of which it is a part is in excess of the gross weight on the basis of which it is registered. In any case where a pickup truck is used in combination with another vehicle, the civil penalty and processing fee shall be assessed only if the combined gross weight exceeds the combined gross weight on the basis of which each vehicle is registered.

4. *(i)* Fails to obtain a proper registration card, identification marker, or other evidence of registration as required by Chapter 21 (§ 46.2-2100 et seq.)*; (ii) operates or causes to be operated on any highway in the Commonwealth any motor vehicle that does not carry the proper registration and identification marker required by Chapter 21 (§ 46.2-2100 et seq.) or any motor vehicle that does not display an identification marker or other identifying information as prescribed by the Department or required by this Title; or (iii) operates or causes to be operated on any highway in the Commonwealth any motor vehicle requiring registration cards or identification markers from the Department after such registration cards or identification markers have been revoked, canceled, or suspended.*

5. ~~Operates~~ *(i) Fails to obtain a proper registration card, identification marker, or other evidence of registration required by Chapter 27 (§ 58.1-2700 et seq.) or the terms and provisions of the International Fuel Tax Agreement, as amended by the International Fuel Tax Association, Inc.; (ii) operates* or causes to be operated on any highway in the Commonwealth any ~~truck or tractor truck~~ *motor vehicle* that does not carry the proper registration and identification marker required by ~~Chapter 21 (§ 46.2-2100 et seq.)~~*Chapter 27 (§ 58.1-2700 et. seq.) or the terms and provisions of the International Fuel Tax Agreement, as amended by the International Fuel Tax Association, Inc.,* or any motor vehicle that does not display ~~(i)~~ an identification marker *or other identifying information* ~~in such manner~~ as ~~is~~ prescribed by the Department or ~~(ii) other identifying information~~ required by ~~this title~~ *Title 58.1 or the terms of the International Fuel Tax Agreement, as amended by the International Fuel Tax Association, Inc.; or (iii) operates or causes to be operated on any highway in the Commonwealth any motor vehicle requiring registration cards or identification markers from the Department after such registration cards or identification markers have been revoked, canceled, or suspended.*

6. ~~Operates~~ *Except as provided for the specified violations set forth in subsection B of this statute, operates* or causes to be operated on any highway in the Commonwealth any truck or tractor truck ~~requiring registration from the Department under Chapter 21 (§ 46.2-2100 et seq.) after such registration cards or identification markers have been revoked, canceled, or suspended~~ *or combination of vehicles exceeding the size limitations of Articles 14 (§ 46.2-1101, et seq.), 15 (§ 46.2-1105, et. seq.), 16*

(§ 46.2-1112, et. seq.), and 18 (§ 46.2-1139, et. seq.) of Chapter 10.

~~7. Operates or causes to be operated on any highway in the Commonwealth any truck or tractor truck or combination of vehicles exceeding the size limitations of Articles 14 (§ 46.2-1101 et seq.), 15 (§ 46.2-1105 et seq.), 16 (§ 46.2-1112 et seq.), and 18 (§ 46.2-1139 et seq.) of Chapter 10.~~

B. *A civil penalty equal to the amount of the fine set forth in Rule 3B:2 of the Rules of the Supreme Court for such a violation and a processing fee of $20 shall be levied against any person who, while at a permanent weighing station, is operating a vehicle or causing the operation of any truck or tractor truck or combination of vehicles exceeding the size limitations of §§ 46.2-1105, 46.2-1110, 46.2-1111, 46.2-1112, 46.2-1116, 46.2-1118, 46.2-1120, or 46.2-1121.*

C. Upon collection by the Department, civil penalties levied pursuant to subdivisions A 1 and A 3 through A 6 shall be paid into the Commonwealth Transportation Fund, but civil penalties levied pursuant to subdivisions A 2 and ~~A 7~~ *B* and all processing fees levied pursuant to this section shall be paid into the state treasury and shall be set aside as a special fund to meet the expenses of the Department of Motor Vehicles.

~~C.~~*D.* The penalties and fees specified in this section shall be in addition to any other penalty, fee, tax, or liability that may be imposed by law.

§ 46.2-613.4. Special seizure provisions for unpaid fees and penalties.

Any size and weight compliance agent authorized to serve process under the provisions of this chapter may hold a vehicle without an attachment summons or court order, but only for such time as is reasonably necessary to promptly petition for an attachment summons to attach the vehicle.

After finding reasonable cause for the issuance of an attachment summons, the judicial officer conducting the hearing shall inform the operator of the vehicle of his option to either pay the previously assessed fees and penalties due the Commonwealth or contest the charge through the attachment proceeding. If the operator chooses to make payment, he shall do so to the judicial officer, who shall transmit the citation along with the fees and penalties to the Department for distribution in accordance with subsection ~~B~~ *C* of § 46.2-613.1.

The Commonwealth shall not be required to post bond in order to attach a vehicle pursuant to this section. The size and weight compliance agent authorized to hold the vehicle pending a hearing on the attachment petition shall also be empowered to execute the attachment summons if issued. Any bond for the retention of the vehicle or for release of the attachment shall be given in accordance with § 8.01-553 except that the bond shall be taken by a judicial officer. The judicial officer shall return the bond to the clerk of the appropriate court in place of the officer serving the attachment as otherwise provided in § 8.01-554.

In the event the fees and penalties are not paid in full, or no bond is given by, or for the person ~~charged with the violation~~ *responsible for paying the fees and penalties*, the vehicle ~~involved in the violation~~ shall be stored in a secure place, as may be designated by the owner or operator of the vehicle. If no place is designated, the officer or size and weight compliance agent executing the attachment summons shall designate the place of storage. The owner or operator shall be afforded the right of unloading and removing the cargo from the vehicle. The risk and cost of the storage shall be borne by the owner or operator of the vehicle.

Whenever an attachment summons is issued for unpaid fees and penalties the court shall forward to the Department both a copy of the order disposing of the case and the citation prepared by the size and weight compliance agent but not served.

Upon notification of the judgment or administrative order entered for such unpaid fees and penalties and notification of the failure of such person to satisfy the judgment or order, the Department, the Department of State Police, or any law-enforcement officer or size and weight compliance agent shall thereafter deny the offending person the right to operate a motor vehicle or vehicles on any highway of the Commonwealth until the judgment or order has been satisfied and a reinstatement fee of $50 has been paid to the Department. Reinstatement fees collected under the provisions of this section shall be paid by the Commissioner into the state treasury and shall be set aside as a special fund to be used to meet the expenses of the Department.

When informed that the right to operate the motor vehicle has been denied, the driver shall drive the motor vehicle to a nearby location off the public highways and not move it or permit it to be moved until such judgment or order has been satisfied. Failure by the driver to comply with this provision shall constitute a Class 4 misdemeanor.

All costs incurred by the Commonwealth and all judgments, if any, against the Commonwealth due to action taken pursuant to this section shall be paid from the fund into which the civil penalties levied pursuant to § 46.2-613.1 are paid.

Officers of the Department of State Police and all other law-enforcement officers are vested with the same powers with respect to the enforcement of this chapter as they have with respect to the enforcement of the criminal laws of the Commonwealth.

§ 46.2-703. Reciprocal agreement with other states; assessment and collection of fees on an apportionment or allocation basis; registration of vehicles and reporting of road tax; violations; vehicle seizures; penalties.

A. Notwithstanding any other provision of this title, the Governor may, on the advice of the Department, enter into reciprocal agreements on behalf of the Commonwealth with the appropriate authorities of any state of the United States or a state or province of a country providing for the assessing and collecting of license fees for motor vehicles, tractor trucks, trucks, trailers, and semitrailers on an apportionment or allocation basis, as outlined in the International Registration Plan developed by the International Registration Plan, Inc.

The Commissioner is authorized to audit the records of any owner, lessor, or lessee to verify the accuracy of any information required by any jurisdiction to determine the registration fees due. Based on this audit, the Commissioner may assess any owner, lessor, or lessee for any license fees due this Commonwealth, including interest and penalties as provided in this section. In addition to any other penalties prescribed by law, the Commissioner or the Reciprocity Board may deny the owner, lessor, or lessee the right to operate any motor vehicle on the highways in the Commonwealth until the assessment has been paid.

Trip permit registration may be issued for any vehicle or combination of vehicles that could be lawfully operated in the jurisdiction if full registration or proportional registration were obtained. The fee for this permit shall be $15 and the permit shall be valid for 10 days.

Any person who operates or permits the operation of any motor vehicle, trailer, or semitrailer over any highway in the Commonwealth without first having paid to the Commissioner the fees prescribed and payable under this section shall be guilty of a Class 2 misdemeanor. Failure to display a license plate indicating that the vehicle is registered on an apportionment or allocation basis or carry a trip permit, as outlined in the International Registration Plan, shall constitute prima facie evidence the apportioned or allocated fee has not been paid.

If the Commissioner ascertains that any fees that he is authorized to assess any owner, lessor, or lessee for any license year have not been assessed or have been assessed for less than the law required for the year because of failure or refusal of any owner, lessor, or lessee to make his records available for audit as provided herein, or if any owner, lessor, or lessee misrepresents, falsifies, or conceals any of these records, the Commissioner shall determine from any information obtainable the lawful fees at the rate prescribed for that year, plus a penalty of five percent and interest at the rate of six percent per year, which shall be computed on the fees and penalty from the date the fees became due to the date of assessment, and is authorized to make an assessment therefor against the owner, lessor, or lessee. If the assessment is not paid within 30 days after its date, interest at the rate of six percent per year shall accrue thereon from the date of such assessment until the fees and penalty are paid. The notice of the assessment shall be forthwith sent to the owner, lessor, or lessee by registered or certified mail to the address of the owner, lessor, or lessee as it appears on the records in the office of the Department. The notice, when sent in accordance with these requirements, shall be sufficient regardless of whether it was received.

If any owner, lessor, or lessee fails to pay the fees, penalty, and interest, or any portion thereof, assessed pursuant to this section, in addition to any other provision of law, the Attorney General or the Commissioner shall bring an appropriate action before the Circuit Court of the City of Richmond for the recovery of the fees, penalty, and interest, and judgment shall be rendered for the amount found to be due together with costs. If it is found that the failure to pay was willful on the part of the owner, lessor or lessee, judgment shall be rendered for double the amount of the fees found to be due, plus costs.

B. Notwithstanding any other provision of this title or Chapter 27 (§ 58.1-2700 et seq.) of Title 58.1, the Governor, on the advice of the Department, may enter into reciprocal agreements on behalf of the Commonwealth with the duly authorized representatives of other jurisdictions providing for the road tax registration of vehicles, establishing periodic road tax reporting and road tax payment requirements from owners of such vehicles, and disbursement of funds collected due to other jurisdictions based on mileage traveled and fuel used in those jurisdictions as outlined in the International Fuels Tax Agreement.

Notwithstanding any statute contrary to the provisions of any reciprocal agreement entered into by the Governor or his duly authorized representative as authorized by this title, the provisions of the reciprocal agreement shall govern and apply to all matters relating to administration and enforcement of the road tax. In the event the language of any reciprocal agreement entered into by the Governor as authorized by this title is later amended so that it conflicts with or is contrary to any statute, the Department shall consider the amended language of the reciprocal agreement controlling and shall administer and enforce the road tax in accordance with the amended language of the reciprocal agreement.

An agreement may provide for determining the base state for motor carriers, records requirements, audit procedures, exchange of information, persons eligible for tax licensing, defining qualified motor vehicles, determining if bonding is required, specifying reporting requirements and periods, including

defining uniform penalties and interest rates for late reporting, determining methods for collecting and forwarding of motor fuel taxes and penalties to another jurisdiction, and other provisions as will facilitate the administration of the agreement.

The Governor may, as required by the terms of the agreement, forward to officers of another member jurisdiction any information in the Department's possession relative to the use of motor fuels by any motor carrier. The Department may disclose to officers of another state the location of offices, motor vehicles, and other real and personal property of motor carriers.

An agreement may provide for each state to audit the records of motor carriers based in the state to determine if the road taxes due each member jurisdiction are properly reported and paid. Each member jurisdiction shall forward the findings of the audits performed on motor carriers based in the member jurisdiction to each jurisdiction in which the carrier has taxable use of motor fuels. For motor carriers not based in the Commonwealth and which have taxable use of motor fuel in the Commonwealth, the Department may serve the audit findings received from another jurisdiction, in the form of an assessment, on the carrier as though an audit had been conducted by the Department.

Any agreement entered into pursuant to this chapter does not preclude the Department from auditing the records of any motor carrier covered by the provisions of this chapter.

The Department shall not enter into any agreement that would affect the motor fuel road tax rate.

The Department may adopt and promulgate such rules, regulations, and procedures as may be necessary to effectuate and administer this title. Nothing in this title shall be construed to affect the tax rate provisions found in Chapter 27 (§ 58.1-2700 et seq.) of Title 58.1.

C. Notwithstanding any other provision in this title or Title 56, the Governor, on the advice of the Department, may participate in the single state registration system as authorized under 49 U.S.C. § 14504 and 49 C.F.R. Part 367, and the Unified Carrier Registration System authorized under 49 U.S.C. § 14504a, enacted pursuant to the Unified Carrier Registration Act of 2005, and the federal regulations promulgated thereunder.

D. Notwithstanding any other provision of this title or Title 58.1, the following violations of laws shall be punished as follows:

1. Any person who operates or causes to be operated on any highway in the Commonwealth any motor vehicle that is not in compliance with the Unified Carrier Registration System authorized under 49 U.S.C. § 14504a, enacted pursuant to the Unified Carrier Registration Act of 2005, and the federal regulations promulgated thereunder shall be guilty of a Class 4 misdemeanor.

2. Any person who operates or causes to be operated on any highway in the Commonwealth any motor vehicle that is not in compliance with Chapter 27 (§ 58.1-2700 et. seq.) of Title 58.1 or the terms and provisions of the International Fuel Tax Agreement, as amended by the International Fuel Tax Association, Inc., shall be guilty of a Class 4 misdemeanor.

~~2.~~*3.* Any person who knowingly displays or uses on any vehicle operated by him any *registration, license,* identification marker or other identification *or credential authorized to be issued pursuant to this title, Chapter 27 (§ 58.1-2700 et. seq.) of Title 58.1, or the reciprocal agreements entered into pursuant to this chapter* that has not been issued to the owner or operator thereof for such vehicle and any person who knowingly assists him to do so shall be guilty of a Class 3 misdemeanor.

E. An officer charging a violation under subsection D shall serve a citation on the operator of the vehicle in violation. Such citation shall be directed to the owner, operator or other person responsible for the violation as determined by the officer. Service of the citation on the vehicle operator shall constitute service of process upon the owner, operator, or other person charged with the violation under this article, and shall have the same legal force as if served within the Commonwealth personally upon the owner, operator, or other person charged with the violation, whether such owner, operator, or other person charged is a resident or nonresident.

F. Any police officer or size and weight compliance agent of the Commonwealth authorized to serve process may hold a motor vehicle owned or operated by a person against whom an order or penalty has been entered pursuant to this section, *§§ 46.2-613.3 and 46.2-1133,* the International Registration Plan, the International Fuel Tax Agreement, or the Unified Carrier Registration System authorized under 49 U.S.C. § 14504a, enacted pursuant to the Unified Carrier Registration Act of 2005, and the federal regulations promulgated thereunder, but only for such time as is reasonably necessary to promptly petition for a writ of fieri facias. The Commonwealth shall not be required to post bond in order to hold and levy upon any vehicle held pursuant to this section. Upon notification of the order, judgment, or penalty entered against the offending person and notice to such person of the failure to satisfy the order, judgment or penalty, any investigator, special agent, officer, or size and weight compliance agent of the Commonwealth shall thereafter deny the offending person the right to operate a motor vehicle or vehicles on the highways of the Commonwealth until the order, judgment, or penalty has been satisfied and a reinstatement fee of $50 has been paid to the Department. Reinstatement fees collected under the provisions of this section shall be paid by the Commissioner into the state treasury and shall be set aside

as a special fund to be used to meet the expenses of the Department.

§ 46.2-725.2. Special license plates for certain business entities with fleets of vehicles registered in the Commonwealth.

A. Notwithstanding the provisions of §§ 46.2-725 and 46.2-726, upon application by certain business entities with vehicle fleets registered in the Commonwealth, the Commissioner may develop and issue special license plates bearing the logos of such businesses in accordance with policies and procedures established by the Commissioner for the issuance of license plates and in accordance with the following provisions:

1. Any business wishing to obtain these special license plates must (i) have a fleet of at least 100 vehicles registered in the Commonwealth, (ii) utilize one of the Department's online electronic fleet titling and registration systems to obtain title and registration documents for its vehicles, and (iii) enter into an agreement with the Department for the use of the business's logo.

2. Any business that enters into an agreement with the Department for the issuance of license plates under this section thereby waives any royalty fees to which it might otherwise be entitled for use of its logo.

3. Any initial request for license plates under this section shall be accompanied by an administrative fee as follows: (i) for 100-199 vehicles in a fleet, a fee of $4,500; (ii) for 200-349 vehicles in a fleet, a fee of $4,200; or (iii) for more than 349 vehicles in a fleet, a fee of $4,000.

4. For each set of license plates issued under this section without reserved numbers or letters, the Commissioner shall charge, in addition to the prescribed fee for state license plates, a one-time fee of $5. The fee for a replacement set of license plates issued under this section without reserved numbers or letters shall be $5.

5. For each set of license plates issued under this section with reserved letters or numbers as provided for in § 46.2-726, in lieu of the fees prescribed by that section, the Commissioner shall charge, in addition to the prescribed fee for state license plates, a one-time fee of $15. The fee for a replacement set of license plates issued under this section with reserved numbers or letters shall be $15.

B. License plates may be issued under this section to vehicles of any type registered by the Department, including those registered under the International Registration Plan.

C. 1. Subsequent to the development of license plates for a business pursuant to subsection A, a business may agree to permit the use of such plates on vehicles not in the company fleet. Written authorization from the business shall be required to obtain or retain any license plates issued pursuant to this subsection. The business may withdraw any such authorization at any time.

2. Upon receipt of written authorization and an application, the Commissioner shall issue to the applicant license plates bearing the logo of the business. The annual fee for each set of license plates issued under this subsection shall be $10 plus the prescribed fee for state license plates. For each set of license plates issued under this subsection bearing reserved numbers or letters, the annual fee shall be the same as for those issued under § 46.2-726.

3. The fee for a replacement set of license plates issued under this subsection shall be as required by § 46.2-692.

4. License plates issued under this subsection shall not be issued through one of the Department's online electronic fleet titling and registration systems.

5. The provisions of subdivisions 1 and 2 of subsection B of § 46.2-725 shall not apply to license plates issued under this subsection.

§ 46.2-2000. Definitions.

Whenever used in this chapter unless expressly stated otherwise:

"Authorized insurer" means, in the case of an interstate motor carrier whose operations may or may not include intrastate activity, an insurer authorized to transact business in any one state, or, in the case of a solely intrastate motor carrier, an insurer authorized to transact business in the Commonwealth.

"Broker" means any person not included in the term "motor carrier" and not a bona fide employee or agent of any such carrier, who, as principal or agent, sells or offers for sale any transportation subject to this chapter, or negotiates for, or holds himself out by solicitation, advertisement, or otherwise as one who sells, provides, furnishes, contracts, or arranges for such transportation.

"Carrier by motor launch" means a common carrier or contract carrier, which carrier uses one or more motor launches operating on the waters within the Commonwealth to transport passengers.

"Certificate" means a certificate of public convenience and necessity or a certificate of fitness.

"Certificate of fitness" means a certificate issued by the Department to a contract ~~bus carrier, a contract~~ passenger carrier, a sight-seeing carrier, or a nonemergency medical transportation carrier.

"Certificate of public convenience and necessity" means a certificate issued by the Department of Motor Vehicles to certain common carriers, but nothing contained in this chapter shall be construed to mean that the Department can issue any such certificate authorizing intracity transportation.

~~"Charter bus" means a motor vehicle manufactured with a minimum seating capacity of 32 passengers or more, excluding the driver.~~

"Common carrier" means any person who undertakes, whether directly or by a lease or any other arrangement, to transport passengers for the general public by motor vehicle for compensation over the highways of the Commonwealth, whether over regular or irregular routes, including such motor vehicle operations of carriers by rail or water under this chapter. "Common carrier" does not include nonemergency medical transportation carriers as defined in this section.

~~"Contract bus carrier" means a motor carrier that operates solely charter buses, as defined in this section, to transport groups of passengers under a single contract made with one person for an agreed charge for such transportation regardless of the number of passengers transported, and for which transportation no individual or separate fares are solicited, charged, collected, or received by the carrier.~~

"Contract carrier" means any person who, under special and individual contracts or agreements, and whether directly or by a lease or any other arrangement, transports passengers for compensation.

"Contract passenger carrier" means a motor carrier that transports groups of passengers under a single contract made with one person for an agreed charge for such transportation, regardless of the number of passengers transported, and for which transportation no individual or separate fares are solicited, charged, collected, or received by the carrier.

"Department" means the Department of Motor Vehicles.

"Employee hauler" means a motor carrier operating for compensation and exclusively transporting only bona fide employees directly to and from the factories, plants, office or other places of like nature where the employees are employed and accustomed to work.

"Excursion train" means any steam-powered train that carries passengers for which the primary purpose of the operation of such train is the passengers' experience and enjoyment of this means of transportation, and does not, in the course of operation, carry (i) freight other than the personal luggage of the passengers or crew or supplies and equipment necessary to serve the needs of the passengers and crew, (ii) passengers who are commuting to work, or (iii) passengers who are traveling to their final destination solely for business or commercial purposes.

"Financial responsibility" means the ability to respond in damages for liability thereafter incurred arising out of the ownership, maintenance, use, or operation of a motor vehicle, in the amounts provided for in this chapter.

"Highway" means every public highway or place of whatever nature open to the use of the public for purposes of vehicular travel in the Commonwealth, including the streets and alleys in towns and cities.

"Identification marker" means a decal or other visible identification issued by the Department to show (i) that the operator of the vehicle has registered with the Department for the payment of the road tax imposed under Chapter 27 (§ 58.1-2700 et seq.) of Title 58.1, (ii) proof of the possession of a certificate or permit issued pursuant to Chapter 20 (§ 46.2-2000 et seq.) of this title, and/or (iii) proof of compliance with the insurance requirements of this chapter.

"Interstate" means transportation of passengers between states.

"Intrastate" means transportation of passengers solely within a state.

"License" means a license issued by the Department to a broker.

"Minibus" means any motor vehicle having a seating capacity of not less than seven nor more than 31 passengers, including the driver, and used in the transportation of passengers.

"Motor carrier" means any person who undertakes, whether directly or by lease, to transport passengers for compensation over the highways of the Commonwealth.

"Motor launch" means a motor vessel that meets the requirements of the U.S. Coast Guard for the carriage of passengers for compensation, with a capacity of six or more passengers, but not in excess of fifty passengers. Motor launch, as defined herein, shall not include sight-seeing vessels, special or charter party vessels within the provisions of this chapter. A carrier by motor launch shall not be regarded as a steamship company.

"Nonemergency medical transportation carrier" means a motor carrier that exclusively provides nonemergency medical transportation and provides such transportation only *(i)* through the Department of Medical Assistance Services ~~or~~*; (ii)* through a broker operating under a contract with ~~that~~ *the* Department *of Medical Assistance Services;* ~~to provide such transportation~~ *or (iii) as a Medicaid Managed Care Organization contracted with the Department of Medical Assistance Services to provide such transportation*.

"Nonprofit/tax-exempt passenger carrier" means a bona fide nonprofit corporation organized or existing under Chapter 10 (§ 13.1-801 et seq.) of Title 13.1, or a tax-exempt organization as defined in §§ 501(c)(3) and 501(c)(4) of the United States Internal Revenue Code, as from time to time amended, who undertakes, whether directly or by lease, to control and operate minibuses exclusively in the transportation, for compensation, of members of such organization if it is a membership corporation, or of elderly, disabled, or economically disadvantaged members of the community if it is not a membership corporation.

"Operation" or "operations" includes the operation of all motor vehicles, whether loaded or empty,

whether for compensation or not, and whether owned by or leased to the motor carrier who operates them or causes them to be operated.

"Operator" means the employer or person actually driving a motor vehicle or combination of vehicles.

"Permit" means a permit issued by the Department to carriers operating as employee haulers or nonprofit/tax-exempt passenger carriers or to operators of taxicabs or other vehicles performing taxicab service under this chapter.

"Person" means any individual, firm, copartnership, corporation, company, association or joint-stock association, and includes any trustee, receiver, assignee, or personal representative thereof.

"Restricted common carrier" means any person who undertakes, whether directly or by a lease or other arrangement, to transport passengers for compensation, whereby such transportation service has been restricted.

"Route," when used in connection with or with respect to a certificate of public convenience and necessity, means the road or highway, or segment thereof, operated over by the holder of a certificate of public convenience and necessity or proposed to be operated over by an applicant therefor, whether such road or highway is designated by one or more highway numbers.

"Services" and "transportation" include the service of, and all transportation by, all vehicles operated by, for, or in the interest of any motor carrier irrespective of ownership or contract, expressed or implied, together with all facilities and property operated or controlled by any such carrier or carriers and used in the transportation of passengers or the performance of any service in connection therewith.

"Sight-seeing carrier" means a restricted common carrier authorized to transport passengers under the provisions of this chapter, whereby the primary purpose of the operation is the passengers' experience and enjoyment and/or the promotion of tourism.

"Sight-seeing carrier by boat" means a restricted common carrier, which restricted common carrier uses a boat or boats operating on waters within the Commonwealth to transport passengers, and whereby the primary purpose of the operation is the passengers' experience and enjoyment and/or the promotion of tourism. Sight-seeing carriers by boat shall not be regarded as steamship companies.

"Single state insurance receipt" means any receipt issued pursuant to 49 C.F.R. Part 367 evidencing that the carrier has the required insurance and paid the requisite fees to the Commonwealth and other qualified jurisdictions.

"Special or charter party carrier by boat" for purposes of this chapter shall mean a restricted common carrier which transports groups of persons under a single contract made with one person for an agreed charge for such movement regardless of the number of persons transported. Special or charter party carriers by boat shall not be regarded as steamship companies.

"Taxicab or other motor vehicle performing a taxicab service" means any motor vehicle having a seating capacity of not more than six passengers, excluding the driver, not operating on a regular route or between fixed terminals used in the transportation of passengers for hire or for compensation, and not a common carrier, restricted common carrier, or nonemergency medical transportation carrier as defined in this chapter.

§ 46.2-2001. Regulation by Department; reports; prevention of discrimination; regulation of leasing of motor vehicles.

The Department shall supervise, regulate and control all motor carriers, carriers by rail, and brokers not exempted under this chapter doing business in the Commonwealth, and all matters relating to the performance of their public duties and their charges therefor as provided by this chapter, and shall correct abuses therein by such carriers; and to that end the Department may prescribe reasonable rules, regulations, forms and reports for such carriers and brokers in furtherance of the administration and operation of this chapter; and the Department shall have the right at all times to require from such motor carriers, carriers by rail, and brokers special reports and statements, under oath, concerning their business.

The Department shall make and enforce such requirements, rules and regulations as may be necessary to prevent unjust or unreasonable discriminations by any carrier or broker in favor of, or against, any person, locality, community or connecting carrier in the matter of service, schedule, efficiency of transportation or otherwise, in connection with the public duties of such carrier or broker. The Department shall administer and enforce all provisions of this chapter, and may prescribe reasonable rules, regulations and procedure looking to that end.

The Department may prescribe and enforce such reasonable requirements, rules and regulations in the matter of leasing of motor vehicles as are necessary to prevent evasion of the Department's regulatory powers.

The Department shall work in conjunction with the Department of State Police and local law-enforcement officials to promote uniform enforcement of the laws pertaining to motor carriers and the rules, regulations, forms, and reports prescribed under the provisions of this chapter.

§ 46.2-2001.3. Application; notice requirements.

A. Applications for a license, permit, certificate, or identification marker under this chapter shall be made to the Department and contain such information and exhibits as the Department shall require. Such information shall include, in the application or otherwise, the matters set forth in § 46.2-2011.24 as grounds for denying licenses, permits, and certificates, and other pertinent matters requisite for the safeguarding of the public interest.

B. An applicant for any original certificate of public convenience and necessity issued under this chapter, or any request for a transfer of such certificate, unless otherwise provided, shall cause a notice of such application, on the form and in the manner prescribed by the Department, on every motor carrier holding the same type of certificate issued by the Department and operating or providing service within the area proposed to be served by the applicant.

C. For any application for original certificate or license issued under this chapter, or any request for a transfer of such certificate or license, the Department shall publish a notice of such application on the Department's public website in the form and in the manner prescribed by the Department.

D. An applicant for any original certificate of public convenience and necessity ~~or license~~ issued under this chapter, or any request for a transfer of such certificate of public convenience and necessity ~~or license~~, shall cause a publication of a summary of the application to be made in a newspaper having a general circulation in the proposed area to be served or area where the primary business office is located within such time as the Department may prescribe.

§ 46.2-2011.4. Conversion of contract bus certificates.

~~A.~~ All ~~nonemergency medical transportation~~ *contract bus* carriers ~~as defined in this chapter~~ that hold a ~~permit or~~ certificate issued prior to July 1, ~~2011~~ *2012*, shall be issued a replacement ~~nonemergency medical transportation~~ certificate of fitness *as a contract passenger carrier*. ~~All contract passenger carriers and sight-seeing carriers that hold a certificate of public convenience and necessity issued prior to July 1, 2011, shall be issued a replacement certificate of fitness.~~ The holder of such ~~permit or~~ certificate shall *not be required to* apply for a replacement certificate ~~prior to October 1, 2011. If such application is not received by the Department or received in an envelope bearing a postmark showing it was mailed prior to midnight, September 30, 2011, then the permit or certificate shall expire.~~

~~B. If a motor carrier does not request a replacement permit or certificate prior to October 1, 2011, and allows the original to expire, any application received thereafter shall be treated as an original application.~~

§ 46.2-2011.8. Transfers of certificates of public convenience and necessity.

Any ~~license or~~ certificate *of public convenience and necessity* issued under this chapter may be transferred, subject to the approval of the Department, and under such reasonable rules and regulations as may be prescribed by the Department. An application for such approval shall be made jointly by the transferor and transferee. The transfer of a ~~license or~~ certificate *of public convenience and necessity* can only be made upon a satisfactory showing that such purchaser or transferee can and will comply with the applicable motor carrier or broker laws, rules and regulations of the Department, is fit, willing and able to properly perform the services, and all taxes due the Commonwealth have been paid, or payment guaranteed.

§ 46.2-2011.11. Established place of business.

A. No license or certificate shall be issued to any applicant that does not have an established place of business, owned or leased by the applicant, where a substantial portion of the activity of the motor carrier or broker business will be routinely conducted and that:

1. Satisfies all applicable local zoning regulations;

2. Houses all records that the motor carrier or broker is required to maintain by this chapter or by regulations promulgated pursuant to this chapter; and

3. Is equipped with a working telephone listed *or advertised* in the name of the motor carrier or broker.

B. Every licensee and certificate holder shall maintain an established place of business in accordance with subsection A of this section and keep on file a physical address with the Department. Every licensee and certificate holder shall inform the Department of any changes to the motor carrier or broker's mailing address, physical location, telephone number, and legal status, legal name of company, or trade name of company within thirty days of such change.

§ 46.2-2155. Power and duty of Department.

The Department shall regulate and control all household goods carriers not herein exempted, doing business in the Commonwealth, in all matters relating to the performance of their duties as such carriers and their rates and charges therefor, which rates and charges shall be filed with and subject to approval by the Department by individual household goods carriers or by groups of such carriers, and correct abuses by such carriers. To that end the Department may prescribe reasonable rules, regulations, bills of lading, forms and reports for such carriers to administer and enforce the provisions of this chapter. The Department shall have the right at all times to require from such carriers special reports and statements,

under oath, concerning their business. It shall make and enforce such requirements, rules, and regulations as may be necessary to prevent unjust or unreasonable discriminations by any such carrier. The Department may prescribe and enforce such reasonable requirements, rules and regulations in the matter of leasing of motor vehicles as are necessary to prevent evasion of the Department's regulatory powers.

The Department shall work in conjunction with the Department of State Police and local law-enforcement officials to promote uniform enforcement of the laws pertaining to motor carriers and the rules, regulations, forms, and reports prescribed under the provisions of this chapter.

§ 58.1-2402. (Effective until July 1, 2012) Levy.

A. There is hereby levied, in addition to all other taxes and fees of every kind now imposed by law, a tax upon the sale or use of motor vehicles in Virginia, other than ~~(i) vehicles with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more, or (ii)~~ a sale to or use by a person for rental as an established business or part of an established business or incidental or germane to such business.

There shall also be levied a tax upon the rental of a motor vehicle in Virginia, without regard to whether such vehicle is required to be licensed by the Commonwealth. However, such tax shall not be levied upon a rental to a person for re-rental as an established business or part of an established business, or incidental or germane to such business.

The amount of the tax to be collected shall be determined by the Commissioner by the application of the following rates against the gross sales price or gross proceeds:

1. Three percent of the sale price of each motor vehicle sold in Virginia. If such motor vehicle is a manufactured home as defined in § 36-85.3, the tax shall be three percent of the sale price of each such manufactured home sold in this Commonwealth; if such vehicle is a mobile office as defined in § 58.1-2401, the tax shall be two percent of the sale price of each mobile office sold in this Commonwealth*; if such vehicle has a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more and is neither (i) a manufactured home as defined in § 36-85.3, (ii) a mobile office as defined in § 58.1-2401, (iii) a trailer or semitrailer as severally defined in § 46.2-100 that is not designed or used to carry property, nor (iv) a vehicle registered under § 46.2-700, the tax shall be zero percent of the sale price of each such vehicle sold in the Commonwealth*.

2. Three percent of the sale price of each motor vehicle, or three percent of the sale price of each manufactured home as defined in § 36-85.3, or two percent of the sale price of each mobile office as defined in § 58.1-2401, not sold in Virginia but used or stored for use in ~~this~~ *the* Commonwealth. *If such vehicle has a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more and is neither (i) a manufactured home as defined in § 36-85.3, (ii) a mobile office as defined in § 58.1-2401, (iii) a trailer or semitrailer as severally defined in § 46.2-100 that is not designed or used to carry property, nor (iv) a vehicle registered under § 46.2-700, the tax shall be zero percent of the sale price of each such vehicle not sold in the Commonwealth but used or stored for use in the Commonwealth.* When any ~~such~~ motor vehicle or manufactured home *not sold in the Commonwealth* is first used or stored for use in Virginia six months or more after its acquisition, the tax shall be based on its current market value.

3. Four percent of the gross proceeds from the rental in Virginia of any motor vehicle, except those with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more.

4. In addition to the tax levied pursuant to subdivision A 3, a tax of four percent of the gross proceeds shall be levied on the rental in Virginia of any daily rental vehicle, whether or not such vehicle is required to be licensed in the Commonwealth.

5. In addition to all other applicable taxes and fees, a fee of two percent of the gross proceeds shall be imposed on the rental in Virginia of any daily rental vehicle, whether or not such vehicle is required to be licensed in the Commonwealth. For purposes of this chapter, the rental fee shall be implemented, enforced, and collected in the same manner that rental taxes are implemented, enforced, and collected.

6. The minimum tax levied on the sale of any motor vehicle in the Commonwealth *that is subject to taxation at a rate exceeding zero percent* shall be $35, except as provided by those exemptions defined in § 58.1-2403.

~~7. Zero percent of the sale price of each truck, tractor truck, trailer, or semitrailer, with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more sold, used, or stored for use in the Commonwealth.~~

B. A transaction taxed under subdivision A 1 shall not also be taxed under subdivision A 2, nor shall the same transaction be taxed more than once under either subdivision. A motor vehicle subject to the tax imposed under subdivision A 3 shall be subject to the tax under either subdivision A 1 or A 2 when it ceases to be used for rental as an established business or part of an established business, or incidental or germane to such business.

C. Any motor vehicle, trailer or semitrailer exempt from this tax under subdivision 1 or 2 of § 58.1-2403 shall be subject to the tax, based on the current market value when such vehicle is no

longer owned, rented or used by the United States government or any governmental agency, or the Commonwealth of Virginia or any political subdivision thereof. Further, any motor vehicle, trailer or semitrailer exempt from the tax imposed by this chapter under subdivision 11 of § 58.1-2403 or §§ 46.2-663 through 46.2-674 shall be subject to the tax, based on the current market value, when such vehicle is subsequently licensed to operate on the highways of this Commonwealth.

D. Any person who with intent to evade or to aid another person to evade the tax provided for herein, falsely states the selling price of a vehicle on a bill of sale, assignment of title, application for title, or any other document or paper submitted to the Commissioner pursuant to any provisions of this title or Title 46.2, shall be guilty of a Class 3 misdemeanor.

E. Effective January 1, 1997, any amount designated as a "processing fee" and any amount charged by a dealer for processing a transaction, which is required to be included on a buyer's order pursuant to subdivision A 10 of § 46.2-1530, shall be subject to the tax.

§ 58.1-2402. (Effective July 1, 2012) Levy.

A. There is hereby levied, in addition to all other taxes and fees of every kind now imposed by law, a tax upon the sale or use of motor vehicles in Virginia, other than ~~(i) vehicles with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more,~~ or ~~(ii)~~ a sale to or use by a person for rental as an established business or part of an established business or incidental or germane to such business.

The amount of the tax to be collected shall be determined by the Commissioner by the application of the following rates against the gross sales price:

1. Three percent of the sale price of each motor vehicle sold in Virginia. If such motor vehicle is a manufactured home as defined in § 36-85.3, the tax shall be three percent of the sale price of each such manufactured home sold in ~~this~~ *the* Commonwealth; if such vehicle is a mobile office as defined in § 58.1-2401, the tax shall be two percent of the sale price of each mobile office sold in ~~this~~ *the* Commonwealth*; if such vehicle has a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more and is neither (i) a manufactured home as defined in § 36-85.3, (ii) a mobile office as defined in § 58.1-2401, (iii) a trailer or semitrailer as severally defined in § 46.2-100 that is not designed or used to carry property, nor (iv) a vehicle registered under § 46.2-700, the tax shall be zero percent of the sale price of each such vehicle sold in the Commonwealth.*

2. Three percent of the sale price of each motor vehicle, or three percent of the sale price of each manufactured home as defined in § 36-85.3, or two percent of the sale price of each mobile office as defined in § 58.1-2401, not sold in Virginia but used or stored for use in ~~this~~ *the* Commonwealth. *If such vehicle has a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more and is neither (i) a manufactured home as defined in § 36-85.3, (ii) a mobile office as defined in § 58.1-2401, (iii) a trailer or semitrailer as severally defined in § 46.2-100 that is not designed or used to carry property, nor (iv) a vehicle registered under § 46.2-700, the tax shall be zero percent of the sale price of each such vehicle not sold in the Commonwealth but used or stored for use in the Commonwealth.* When any ~~such~~ motor vehicle or manufactured home *not sold in the Commonwealth* is first used or stored for use in Virginia six months or more after its acquisition, the tax shall be based on its current market value.

3. The minimum tax levied on the sale of any motor vehicle in the Commonwealth *that is subject to taxation at a rate exceeding zero percent* shall be $35, except as provided by those exemptions defined in § 58.1-2403.

4 through 6. [Repealed.]

~~7. Zero percent of the sale price of each truck, tractor truck, trailer, or semitrailer, with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more sold, used, or stored for use in the Commonwealth.~~

B. A transaction taxed under subdivision A 1 shall not also be taxed under subdivision A 2, nor shall the same transaction be taxed more than once under either subdivision.

C. Any motor vehicle, trailer or semitrailer exempt from this tax under subdivision 1 or 2 of § 58.1-2403 shall be subject to the tax, based on the current market value when such vehicle is no longer owned or used by the United States government or any governmental agency, or the Commonwealth of Virginia or any political subdivision thereof, unless such vehicle is then rented, in which case the tax imposed by § 58.1-1736 shall apply, subject to the exemptions provided in § 58.1-1737. Further, any motor vehicle, trailer or semitrailer exempt from the tax imposed by this chapter under subdivision 11 of § 58.1-2403 or §§ 46.2-663 through 46.2-674 shall be subject to the tax, based on the current market value, when such vehicle is subsequently licensed to operate on the highways of this Commonwealth.

D. Any person who with intent to evade or to aid another person to evade the tax provided for herein, falsely states the selling price of a vehicle on a bill of sale, assignment of title, application for title, or any other document or paper submitted to the Commissioner pursuant to any provisions of this

title or Title 46.2, shall be guilty of a Class 3 misdemeanor.

E. Effective January 1, 1997, any amount designated as a "processing fee" and any amount charged by a dealer for processing a transaction, which is required to be included on a buyer's order pursuant to subdivision A 10 of § 46.2-1530, shall be subject to the tax.

§ 58.1-2403. (Effective until July 1, 2012) Exemptions.

No tax shall be imposed as provided in § 58.1-2402 if the vehicle is:

1. Sold to, rented or used by the United States government or any governmental agency thereof;

2. Sold to, rented or used by the Commonwealth of Virginia or any political subdivision thereof;

3. Registered in the name of a volunteer fire department or rescue squad not operated for profit;

4. Registered to any member of the Mattaponi, Pamunkey, or Chickahominy Indian tribes or any other recognized Indian tribe of the Commonwealth living on the tribal reservation;

5. Transferred incidental to repossession under a recorded lien and ownership is transferred to the lienholder;

6. A manufactured home permanently attached to real estate and included in the sale of real estate;

7. A gift to the spouse, son, or daughter of the transferor. With the exception of a gift to a spouse, this exemption shall not apply to any unpaid obligation assumed by the transferee incidental to the transfer;

8. Transferred from an individual or partnership to a corporation or limited liability company or from a corporation or limited liability company to an individual or partnership if the transfer is incidental to the formation, organization or dissolution of a corporation or limited liability company in which the individual or partnership holds the majority interest;

9. Transferred from a wholly owned subsidiary to the parent corporation or from the parent corporation to a wholly owned subsidiary;

10. Being registered for the first time in this Commonwealth and the applicant holds a valid, assignable title or registration issued to him by another state or a branch of the United States Armed Forces and (i) has owned the vehicle for longer than 12 months or (ii) has owned the vehicle for less than 12 months and provides evidence of a sales tax paid to another state. However, when a vehicle has been purchased by the applicant within the last 12 months and the applicant is unable to provide evidence of a sales tax paid to another state, the applicant shall pay the Virginia sales tax based on the fair market value of the vehicle at the time of registration in Virginia;

11. a. Titled in a Virginia or non-Virginia motor vehicle dealer's name for resale; or

b. Titled in the name of an automotive manufacturer having its headquarters in Virginia, except for any commercially leased vehicle that is not described under subdivision 3 of § 46.2-602.2. For purposes of this subdivision, "automotive manufacturer" and "headquarters" means the same as such terms are defined in § 46.2-602.2;

12. A motor vehicle having seats for more than seven passengers and sold to an urban or suburban bus line the majority of whose passengers use the buses for traveling a distance of less than 40 miles, one way, on the same day;

13. Purchased in the Commonwealth by a nonresident and a Virginia title is issued for the sole purpose of recording a lien against the vehicle if the vehicle will be registered in a state other than Virginia;

14. A motor vehicle designed for the transportation of 10 or more passengers, purchased by and for the use of a church conducted not for profit;

15. Loaned or leased to a private nonprofit institution of learning, for the sole purpose of use in the instruction of driver's education when such education is a part of such school's curriculum for full-time students;

16. Sold to an insurance company or local government group self-insurance pool, created pursuant to § 15.2-2703, for the sole purpose of disposition when such company or pool has paid the registered owner of such vehicle a total loss claim;

17. Owned and used for personal or official purposes by accredited consular or diplomatic officers of foreign governments, their employees or agents, and members of their families, if such persons are nationals of the state by which they are appointed and are not citizens of the United States;

18. A self-contained mobile computerized axial tomography scanner sold to, rented or used by a nonprofit hospital or a cooperative hospital service organization as described in § 501(e) of the United States Internal Revenue Code;

19. A motor vehicle having seats for more than seven passengers and sold to a restricted common carrier or common carrier of passengers;

20. Beginning July 1, 1989, a self-contained mobile unit designed exclusively for human diagnostic or therapeutic service, sold to, rented to, or used by a nonprofit hospital, or a cooperative hospital service organization as described in § 501(e) of the United States Internal Revenue Code, or a nonprofit corporation as defined in § 501(c)(3) of the Internal Revenue Code, established for research in, diagnosis of, or therapy for human ailments;

21. Transferred, as a gift or through a sale to an organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code, provided the motor vehicle is not titled and tagged for use by such organization;

22. A motor vehicle sold to an organization which is exempt from taxation under § 501(c)(3) of the Internal Revenue Code and which is organized for the primary purpose of distributing food, clothing, medicines and other necessities of life to, and providing shelter for, needy persons in the United States and throughout the world;

23. ~~A truck, tractor truck, trailer, or semitrailer, as severally defined in § 46.2-100, except trailers and semitrailers not designed or used to carry property and vehicles registered under § 46.2-700, with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more, in which case no tax shall be imposed pursuant to subdivisions 1 and 3 of subsection A of § 58.1-2402;~~

~~24.~~ Transferred to the trustees of a revocable inter vivos trust, when the individual titleholder of a Virginia titled motor vehicle and the beneficiaries of the trust are the same persons, regardless of whether other beneficiaries of the trust may also be named in the trust instrument, when no consideration has passed between the titleholder and the beneficiaries; and transferred to the original titleholder from the trustees holding title to the motor vehicle;

~~25.~~*24.* Transferred to trustees of a revocable inter vivos trust, when the owners of the vehicle and the beneficiaries of the trust are the same persons, regardless of whether other beneficiaries may also be named in the trust instrument, or transferred by trustees of such a trust to beneficiaries of the trust following the death of the grantor, when no consideration has passed between the grantor and the beneficiaries in either case;

~~26.~~*25.* Sold by a vehicle's lessor to its lessee upon the expiration of the term of the vehicle's lease, if the lessee is a natural person and this natural person has paid the tax levied pursuant to this chapter with respect to the vehicle when he leased it from the lessor, and if the lessee presents an original copy of the lease upon request of the Department of Motor Vehicles or other evidence that the sales tax has been paid to the Commonwealth by the lessee purchasing the vehicle; or

~~27.~~*26.* Titled in the name of a deceased person and transferred to the spouse or heir, or under the will, of such deceased person.

§ 58.1-2403. (Effective July 1, 2012) Exemptions.

No tax shall be imposed as provided in § 58.1-2402 if the vehicle is:

1. Sold to or used by the United States government or any governmental agency thereof;

2. Sold to or used by the Commonwealth of Virginia or any political subdivision thereof;

3. Registered in the name of a volunteer fire department or rescue squad not operated for profit;

4. Registered to any member of the Mattaponi, Pamunkey, or Chickahominy Indian tribes or any other recognized Indian tribe of the Commonwealth living on the tribal reservation;

5. Transferred incidental to repossession under a recorded lien and ownership is transferred to the lienholder;

6. A manufactured home permanently attached to real estate and included in the sale of real estate;

7. A gift to the spouse, son, or daughter of the transferor. With the exception of a gift to a spouse, this exemption shall not apply to any unpaid obligation assumed by the transferee incidental to the transfer;

8. Transferred from an individual or partnership to a corporation or limited liability company or from a corporation or limited liability company to an individual or partnership if the transfer is incidental to the formation, organization or dissolution of a corporation or limited liability company in which the individual or partnership holds the majority interest;

9. Transferred from a wholly owned subsidiary to the parent corporation or from the parent corporation to a wholly owned subsidiary;

10. Being registered for the first time in this Commonwealth and the applicant holds a valid, assignable title or registration issued to him by another state or a branch of the United States Armed Forces and (i) has owned the vehicle for longer than 12 months or (ii) has owned the vehicle for less than 12 months and provides evidence of a sales tax paid to another state. However, when a vehicle has been purchased by the applicant within the last 12 months and the applicant is unable to provide evidence of a sales tax paid to another state, the applicant shall pay the Virginia sales tax based on the fair market value of the vehicle at the time of registration in Virginia;

11. a. Titled in a Virginia or non-Virginia motor vehicle dealer's name for resale; or

b. Titled in the name of an automotive manufacturer having its headquarters in Virginia, except for any commercially leased vehicle that is not described under subdivision 3 of § 46.2-602.2. For purposes of this subdivision, "automotive manufacturer" and "headquarters" means the same as such terms are defined in § 46.2-602.2;

12. A motor vehicle having seats for more than seven passengers and sold to an urban or suburban bus line the majority of whose passengers use the buses for traveling a distance of less than 40 miles,

one way, on the same day;

13. Purchased in the Commonwealth by a nonresident and a Virginia title is issued for the sole purpose of recording a lien against the vehicle if the vehicle will be registered in a state other than Virginia;

14. A motor vehicle designed for the transportation of 10 or more passengers, purchased by and for the use of a church conducted not for profit;

15. Loaned or leased to a private nonprofit institution of learning, for the sole purpose of use in the instruction of driver's education when such education is a part of such school's curriculum for full-time students;

16. Sold to an insurance company or local government group self-insurance pool, created pursuant to § 15.2-2703, for the sole purpose of disposition when such company or pool has paid the registered owner of such vehicle a total loss claim;

17. Owned and used for personal or official purposes by accredited consular or diplomatic officers of foreign governments, their employees or agents, and members of their families, if such persons are nationals of the state by which they are appointed and are not citizens of the United States;

18. A self-contained mobile computerized axial tomography scanner sold to, rented or used by a nonprofit hospital or a cooperative hospital service organization as described in § 501(e) of the United States Internal Revenue Code;

19. A motor vehicle having seats for more than seven passengers and sold to a restricted common carrier or common carrier of passengers;

20. Beginning July 1, 1989, a self-contained mobile unit designed exclusively for human diagnostic or therapeutic service, sold to, rented to, or used by a nonprofit hospital, or a cooperative hospital service organization as described in § 501(e) of the United States Internal Revenue Code, or a nonprofit corporation as defined in § 501(c)(3) of the Internal Revenue Code, established for research in, diagnosis of, or therapy for human ailments;

21. Transferred, as a gift or through a sale to an organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code, provided the motor vehicle is not titled and tagged for use by such organization;

22. A motor vehicle sold to an organization which is exempt from taxation under § 501(c)(3) of the Internal Revenue Code and which is organized for the primary purpose of distributing food, clothing, medicines and other necessities of life to, and providing shelter for, needy persons in the United States and throughout the world;

23. ~~A truck, tractor truck, trailer, or semitrailer, as severally defined in § 46.2-100, except trailers and semitrailers not designed or used to carry property and vehicles registered under § 46.2-700, with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more, in which case no tax shall be imposed pursuant to subdivision A 1 of § 58.1-2402;~~

~~24.~~ Transferred to the trustees of a revocable inter vivos trust, when the individual titleholder of a Virginia titled motor vehicle and the beneficiaries of the trust are the same persons, regardless of whether other beneficiaries of the trust may also be named in the trust instrument, when no consideration has passed between the titleholder and the beneficiaries; and transferred to the original titleholder from the trustees holding title to the motor vehicle;

~~25.~~*24.* Transferred to trustees of a revocable inter vivos trust, when the owners of the vehicle and the beneficiaries of the trust are the same persons, regardless of whether other beneficiaries may also be named in the trust instrument, or transferred by trustees of such a trust to beneficiaries of the trust following the death of the grantor, when no consideration has passed between the grantor and the beneficiaries in either case;

~~26.~~*25.* Sold by a vehicle's lessor to its lessee upon the expiration of the term of the vehicle's lease, if the lessee is a natural person and this natural person has paid the tax levied pursuant to this chapter with respect to the vehicle when he leased it from the lessor, and if the lessee presents an original copy of the lease upon request of the Department of Motor Vehicles or other evidence that the sales tax has been paid to the Commonwealth by the lessee purchasing the vehicle; or

~~27.~~*26.* Titled in the name of a deceased person and transferred to the spouse or heir, or under the will, of such deceased person.

§ 58.1-2700.1. Interstate motor carrier road tax.

In accordance with the provisions of IFTA, as amended, ~~the~~ *all motor carriers that operate or cause to be operated one or more qualified highway vehicles in the Commonwealth and at least one other jurisdiction participating in IFTA shall apply to the Department for an IFTA license and identification markers. The* Department shall issue a license and vehicle identification markers to each carrier that operates qualified highway vehicles in the Commonwealth and at least one other jurisdiction participating in IFTA so as to report its road tax liabilities. The Department may issue vehicle identification markers to carriers that operate qualified highway vehicles in the Commonwealth and at least one other jurisdiction not participating in IFTA. Each application shall contain the name and

address of the carrier, and such other information as may be required by the Department.

The Department shall issue to the motor carrier identification markers for each vehicle in the carrier's fleet that will be operated within the Commonwealth.

The identification markers issued to the vehicles of the IFTA-licensed carriers shall expire on December 31 of each year. All other identification markers issued to carriers shall expire on June 30 of each year. The identification markers may be renewed prior to expiration provided (i) the carrier's privilege to operate vehicles in the Commonwealth has not been revoked or canceled, (ii) all required tax reports have been filed, and (iii) all road taxes, penalties, and interest due have been paid.

The cost of the identification markers issued to each vehicle in the carrier's fleet shall be ten dollars per vehicle.

The Department may, by letter, telegram, or other electronic means, authorize a vehicle to be operated without identification markers for not more than ten days. Before sending such authorization, the Department shall collect from the carrier a fee of twenty dollars for each vehicle so operated.

§ 58.1-2700.2. Motor carriers subject to terms of the International Fuel Tax Agreement; placement of identification markers.

All motor carriers that operate one or more qualified highway vehicles on an interstate basis are subject to and shall abide by all terms and conditions of IFTA that are applicable to motor carriers or operators of qualified highway vehicles. All carriers licensed by the Department *pursuant to this chapter or IFTA* shall place ~~the~~ *any required* identification markers issued by the Department on each vehicle in the carrier's fleet in the place prescribed by the Department.

§ 58.1-2712.1. International Fuel Tax Agreement.

The Department may, with the approval of the Governor, enter into ~~the International Fuel Tax Agreement~~ *IFTA* for interstate motor carriers and abide by the requirements set forth in ~~the Agreement~~ *IFTA. All motor carriers that operate one or more qualified highway vehicles on an interstate basis are subject to and shall abide by all terms and conditions of IFTA that are applicable to motor carriers or operators of qualified highway vehicles.* All requirements of ~~the Agreement~~ *IFTA* shall also apply to motor carriers operating in intrastate commerce unless specific requirements are determined by the Department to be not in the best interest of the motor carrier industry.

2. That §§ 46.2-2099.2, 46.2-2099.3, 46.2-2099.7 through 46.2-2099.10, 46.2-2099.12, 46.2-2099.13 through 46.2-2099.16, 46.2-2116, 46.2-2119, and 46.2-2123 of the Code of Virginia are repealed.