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SENATE BILL NO. 425

Offered January 22, 1996

A BILL to amend and reenact § 46.2-752 of the Code of Virginia, relating to motor vehicle carriers; delinquent personal property taxes.

Patrons—Bolling and Newman; Delegates: Hargrove and Morgan

Referred to the Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That § 46.2-752 of the Code of Virginia is amended and reenacted as follows:

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

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 § 58.1-2101, including dual-fuel and bi-fuel vehicles,
- 2. Vehicles owned by volunteer rescue squads,
- 3. Vehicles owned by volunteer fire departments,
- 4. Vehicles owned by active members of volunteer rescue squads,
- 5. Vehicles owned by active members of volunteer fire departments,
- 6. Vehicles owned by auxiliary police officers,
- 7. Vehicles owned 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 by auxiliary 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 ten 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 § 15.1-144. 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 local personal property tax in Augusta County. 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 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

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SB425

60 personal property taxes properly assessed or assessable by that locality on any tangible personal property
61 used or usable as a dwelling titled by the Department of Motor Vehicles and owned by the taxpayer
62 have been paid. Any county and any town within any such county may by agreement require that all
63 personal property taxes assessed by either the county or the town on any vehicle be paid before
64 licensure of such vehicle by either the county or the town.

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

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

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

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

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

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

105 J. Beginning October 1, 1992, the treasurer or director of finance of any county, city, or town may
106 enter into an agreement with the Commissioner whereby the Commissioner will refuse to issue or renew
107 any vehicle registration of any applicant therefor who owes to such county, city or town any delinquent
108 tangible personal property tax levied with respect to such vehicle in excess of \$40050. Before being
109 issued any vehicle registration or renewal of such license or registration by the Commissioner, the
110 applicant must first satisfy all such delinquent taxes and present evidence satisfactory to the
111 Commissioner that all such delinquent taxes have been paid in full. The Commissioner shall charge a
112 reasonable fee to cover the costs of such enforcement action. The treasurer or director of finance of any
113 county, city, or town seeking to collect delinquent taxes through the withholding of registration or
114 renewal thereof by the Commissioner as provided for in this subsection shall notify the Commissioner in
115 the manner provided for in his agreement with the Commissioner and supply to the Commissioner
116 information necessary to identify the debtor whose registration or renewal is to be denied. Any
117 agreement entered into pursuant to the provisions of this subsection shall provide the debtor notice of
118 the intent to deny renewal of registration at least thirty days prior to the expiration date of a current
119 vehicle registration. For the purposes of this subsection, notice by first-class mail to the registrant's
120 address as maintained in the records of the Department of Motor Vehicles shall be deemed sufficient.

121 K. The governing bodies of any two or more counties, cities, or towns may enter into compacts for

122 the regional enforcement of local motor vehicle license requirements. The governing body of each
123 participating jurisdiction may by ordinance require the owner or operator of any motor vehicle, trailer,
124 or semitrailer to display on his vehicle a valid local license issued by another county, city, or town that
125 is a party to the regional compact, provided that the owner or operator is required by the jurisdiction of
126 situs, as provided in § 58.1-3511, to obtain and display such license. The ordinance may provide that a
127 violation shall constitute a misdemeanor the penalty for which shall not exceed that of a Class 4
128 misdemeanor. Any such ordinance may also provide that a violation of the ordinance by the owner of
129 the vehicle may not be discharged by payment of a fine except upon presentation of satisfactory
130 evidence that the required license has been obtained.