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HOUSE BILL NO. 254

Offered January 9, 2008

Prefiled January 2, 2008

A BILL to amend and reenact § 46.2-752 of the Code of Virginia, relating to taxes and license fees imposed by counties, cities, and towns.

Patron—Fralin

Referred to 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 and certain fines; prohibiting display of licenses after expiration; failure to display valid local license required by other localities; penalty.

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, nor shall a town charge a license fee to any new resident of the town, previously a resident of a county within which all or part of the town is situated, who has previously paid a license fee for the same tax year to such county. 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 annual or one-year fee 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 § 46.2-749.3, including dual-fuel and bi-fuel vehicles,
2. Vehicles owned by volunteer rescue squads,
3. Vehicles owned by volunteer fire departments,
4. Vehicles owned or leased by active members or active auxiliary members of volunteer rescue squads,
5. Vehicles owned or leased by active members or active auxiliary members of volunteer fire departments,
6. Vehicles owned or leased by auxiliary police officers,
7. Vehicles owned or leased 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 or leased by auxiliary deputy sheriffs or volunteer 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 10 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 § 15.2-1737. 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,
12. All vehicles having a situs for the imposition of licensing fees under this section in the locality,
13. Vehicles owned or leased by deputy sheriffs; however, no deputy sheriff shall be issued more than one such license free of charge,
14. Vehicles owned or leased by police officers; however, no police officer shall be issued more than one such license free of charge,
15. Vehicles owned or leased by officers of the State Police; however, no officer of the State Police shall be issued more than one such license free of charge,
16. Vehicles owned or leased by salaried firefighters; however, no salaried firefighter shall be issued more than one such license free of charge, or
17. Vehicles owned or leased by salaried emergency medical technicians; however no salaried

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59 emergency medical technician shall be issued more than one such license free of charge, or

60 *18. Vehicles with a gross weight exceeding 10,000 pounds owned by museums officially designated*
61 *by the Commonwealth.*

62 The governing body of any county, city, or town issuing licenses under this section may by
63 ordinance provide for a 50 percent reduction in the fee charged for the issuance of any such license
64 issued for any vehicle owned or leased by any person who is 65 years old or older. No such discount,
65 however, shall be available for more than one vehicle owned or leased by the same person.

66 The governing body of any county, city, or town issuing licenses free of charge under this subsection
67 may by ordinance provide for (i) the limitation, restriction, or denial of such free issuance to an
68 otherwise qualified applicant, including without limitation the denial of free issuance to a taxpayer who
69 has failed to timely pay personal property taxes due with respect to the vehicle and (ii) the grounds for
70 such limitation, restriction, or denial.

71 The situs for the imposition of licensing fees under this section shall in all cases, except as
72 hereinafter provided, be the county, city, or town in which the motor vehicle, trailer, or semitrailer is
73 normally garaged, stored, or parked. If it cannot be determined where the personal property is normally
74 garaged, stored, or parked, the situs shall be the domicile of its owner. In the event the owner of the
75 motor vehicle is a full-time student attending an institution of higher education, the situs shall be the
76 domicile of such student, provided the student has presented sufficient evidence that he has paid a
77 personal property tax on the motor vehicle in his domicile.

78 B. The revenue derived from all county, city, or town taxes and license fees imposed on motor
79 vehicles, trailers, or semitrailers shall be applied to general county, city, or town purposes.

80 C. A county, city, or town may require that no motor vehicle, trailer, or semitrailer shall be locally
81 licensed until the applicant has produced satisfactory evidence that all personal property taxes on the
82 motor vehicle, trailer, or semitrailer to be licensed have been paid and satisfactory evidence that any
83 delinquent motor vehicle, trailer, or semitrailer personal property taxes owing have been paid which
84 have been properly assessed or are assessable against the applicant by the county, city, or town. A
85 county, city, or town may also provide that no motor vehicle license shall be issued unless the tangible
86 personal property taxes properly assessed or assessable by that locality on any tangible personal property
87 used or usable as a dwelling titled by the Department of Motor Vehicles and owned by the taxpayer
88 have been paid. Any county and any town within any such county may by agreement require that all
89 personal property taxes assessed by either the county or the town on any vehicle be paid before
90 licensure of such vehicle by either the county or the town.

91 C1. The Counties of Dinwiddie, Lee, and Wise may, by ordinance or resolution adopted after public
92 notice and hearing and, with the consent of the treasurer, require that no license may be issued under
93 this section unless the applicant has produced satisfactory evidence that all fees, including delinquent
94 fees, payable to such county or local solid waste authority, for the disposal of solid waste pursuant to
95 the Virginia Water and Waste Authorities Act (§ 15.2-5100 et seq.), or pursuant to § 15.2-2159, have
96 been paid in full. For purposes of this subsection, all fees, including delinquent fees, payable to a county
97 for waste disposal services described herein, shall be paid to the treasurer of such county; however, in
98 Wise County, the fee shall be paid to the county or its agent.

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

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

114 F. Notwithstanding the provisions of subsection E of this section, in a consolidated county wherein a
115 tier-city exists, the tier-city may, in accordance with the provisions of the agreement or plan of
116 consolidation, impose license fees and taxes under this section in addition to those fees and taxes
117 imposed by the county, provided that the combined county and tier-city rates do not exceed the
118 maximum provided in subsection A of this section. No credit shall be allowed on the fees or taxes
119 imposed by the county for fees or taxes paid to the tier-city, except as may be provided by the
120 consolidation agreement or plan. The governing body of any county and the governing body of any

121 tier-city in such county wherein each imposes the license tax herein may provide by mutual agreement
122 that no more than one license plate or decal in addition to the state license plate shall be required.

123 G. Any county, city, or town may by ordinance provide that it shall be unlawful for any owner or
124 operator of a motor vehicle, trailer, or semitrailer (i) to fail to obtain and, if any required by such
125 ordinance, to display the local license required by any ordinance of the county, city or town in which
126 the vehicle is registered, or (ii) to display upon a motor vehicle, trailer, or semitrailer any such local
127 license, required by ordinance to be displayed, after its expiration date. The ordinance may provide that
128 a violation shall constitute a misdemeanor the penalty for which shall not exceed that of a Class 4
129 misdemeanor and may, in the case of a motor vehicle registered to a resident of the locality where such
130 vehicle is registered, authorize the issuance by local law-enforcement officers of citations, summonses,
131 parking tickets, or uniform traffic summonses for violations. Any such ordinance may also provide that
132 a violation of the ordinance by the registered owner of the vehicle may not be discharged by payment of
133 a fine except upon presentation of satisfactory evidence that the required license has been obtained.
134 Nothing in this section shall be construed to require a county, city, or town to issue a decal or any other
135 tangible evidence of a local license to be displayed on the licensed vehicle if the county's, city's, or
136 town's ordinance does not require display of a decal or other evidence of payment. No ordinance
137 adopted pursuant to this section shall require the display of any local license, decal, or sticker on any
138 vehicle owned by a public service company, as defined in § 56-76, having a fleet of at least 2,500
139 vehicles garaged in the Commonwealth.

140 H. Except as provided by subsections E and F, no vehicle shall be subject to taxation under the
141 provisions of this section in more than one jurisdiction. Furthermore, no person who has purchased a
142 local vehicle license, decal, or sticker for a vehicle in one county, city, or town and then moves to and
143 garages his vehicle in another county, city, or town shall be required to purchase another local license,
144 decal, or sticker from the county, city, or town to which he has moved and wherein his vehicle is now
145 garaged until the expiration date of the local license, decal, or sticker issued by the county, city, or town
146 from which he moved.

147 I. Purchasers of new or used motor vehicles shall be allowed at least a 10-day grace period,
148 beginning with the date of purchase, during which to pay license fees charged by local governments
149 under authority of this section.

150 J. Beginning October 1, 1992, the treasurer or director of finance of any county, city, or town may
151 enter into an agreement with the Commissioner whereby the Commissioner will refuse to issue or renew
152 any vehicle registration of any applicant therefor who owes to such county, city or town any local
153 vehicle license fees or delinquent tangible personal property tax or parking citations issued only to
154 residents of such county, city, or town. Before being issued any vehicle registration or renewal of such
155 license or registration by the Commissioner, the applicant shall first satisfy all such local vehicle license
156 fees and delinquent taxes or parking citations and present evidence satisfactory to the Commissioner that
157 all such local vehicle license fees and delinquent taxes or parking citations have been paid in full. The
158 Commissioner shall charge a reasonable fee to cover the costs of such enforcement action, and the
159 treasurer or director of finance may add the cost of this fee to the delinquent tax bill or the amount of
160 the parking citation. The treasurer or director of finance of any county, city, or town seeking to collect
161 delinquent taxes or parking citations through the withholding of registration or renewal thereof by the
162 Commissioner as provided for in this subsection shall notify the Commissioner in the manner provided
163 for in his agreement with the Commissioner and supply to the Commissioner information necessary to
164 identify the debtor whose registration or renewal is to be denied. Any agreement entered into pursuant to
165 the provisions of this subsection shall provide the debtor notice of the intent to deny renewal of
166 registration at least 30 days prior to the expiration date of a current vehicle registration. For the
167 purposes of this subsection, notice by first-class mail to the registrant's address as maintained in the
168 records of the Department of Motor Vehicles shall be deemed sufficient. In the case of parking
169 violations, the Commissioner shall only refuse to issue or renew the vehicle registration of any applicant
170 therefor pursuant to this subsection for the vehicle that incurred the parking violations. The provisions of
171 this subsection shall not apply to vehicles owned by firms or companies in the business of renting motor
172 vehicles.

173 K. The governing bodies of any two or more counties, cities, or towns may enter into compacts for
174 the regional enforcement of local motor vehicle license requirements. The governing body of each
175 participating jurisdiction may by ordinance require the owner or operator of any motor vehicle, trailer,
176 or semitrailer to display on his vehicle a valid local license issued by another county, city, or town that
177 is a party to the regional compact, provided that the owner or operator is required by the jurisdiction of
178 situs, as provided in § 58.1-3511, to obtain and display such license. The ordinance may also provide
179 that no motor vehicle, trailer, or semitrailer shall be locally licensed until the applicant has produced
180 satisfactory evidence that (i) all personal property taxes on the motor vehicle, trailer, or semitrailer to be
181 licensed have been paid to all participating jurisdictions and (ii) any delinquent motor vehicle, trailer, or

182 semitrailer personal property taxes that have been properly assessed or are assessable by any
183 participating jurisdiction against the applicant have been paid. Any city and any county having the urban
184 county executive form of government, the counties adjacent to such county and towns within them may
185 require that no motor vehicle, trailer, or semitrailer shall be licensed by that jurisdiction or any other
186 jurisdiction in the compact unless all fines owed to any participating jurisdiction by the owner of the
187 vehicle for violation of any participating jurisdiction's ordinances governing parking of vehicles have
188 been paid. The ordinance may further provide that a violation shall constitute a misdemeanor the penalty
189 for which shall not exceed that of a Class 4 misdemeanor. Any such ordinance may also provide that a
190 violation of the ordinance by the owner of the vehicle may not be discharged by payment of a fine
191 except upon presentation of satisfactory evidence that the required license has been obtained. The
192 provisions of this subsection shall not apply to vehicles owned by firms or companies in the business of
193 renting motor vehicles.

194 L. In addition to the taxes and license fees permitted in subsection A, counties, cities, and towns may
195 charge a license fee of no more than \$1 per motor vehicle, trailer, and semitrailer. Except for the
196 provisions of subsection B, such fee shall be subject to all other provisions of this section. All funds
197 collected pursuant to this subsection shall be paid pursuant to § 51.1-1204 to the Volunteer Firefighters'
198 and Rescue Squad Workers' Service Award Fund to the accounts of all members of the Fund who are
199 volunteers for fire departments or rescue squads within the jurisdiction of the particular county, city, or
200 town.