

HOUSE BILL NO. 599

INTRODUCED BY H. RASER

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A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A COUNTY TREASURER TO COLLECT A SURCHARGE ON MOTOR HOME REGISTRATION FEES, THE REVENUE FROM WHICH MUST BE DEPOSITED IN THE COUNTY GENERAL FUND; AMENDING SECTIONS 61-3-303 AND 61-3-321, MCA; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, motor homes are not subject to the local option vehicle tax or the local option flat fee; and
WHEREAS, law firms have established limited liability companies with Montana addresses for people who are not Montana residents so that they may license their motor homes in Montana; and

WHEREAS, many of the motor homes licensed through these limited liability companies are not even purchased in Montana or parked in Montana; and

WHEREAS, nonresidents use these limited liability companies to license expensive motor homes in Montana in order to pay lower registration fees and avoid sales tax in their home state; and

WHEREAS, processing the paperwork for these motor homes has become a burden for local motor vehicle department staff; and

WHEREAS, the State of Montana benefits from these registrations but counties do not receive any revenue from local option taxes or flat fees and face increased workloads.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Motor home surcharge fee. (1) In addition to all other registration fees on motor homes, the county treasurer shall collect a surcharge of 10% of the appropriate fee on motor homes required under 61-3-321(7)(a), (7)(c)(i)(A), and (14)(c).

(2) Revenue from the surcharge must be deposited in the county general fund.

Section 2. Section 61-3-303, MCA, is amended to read:

"61-3-303. Original registration -- process -- fees. (1) Except as provided in 61-3-324, a Montana resident who owns a motor vehicle, trailer, semitrailer, or pole trailer operated or driven upon the public highways



1 of this state shall register the motor vehicle, trailer, semitrailer, or pole trailer in the office of the county treasurer
2 in the county where the owner permanently resides or, if the motor vehicle, trailer, semitrailer, or pole trailer is
3 owned by a corporation or used primarily for commercial purposes, in the county where the motor vehicle, trailer,
4 semitrailer, or pole trailer is domiciled.

5 (2) Except as provided in subsection (3), the county treasurer shall register any vehicle for which:

6 (a) as of the date that the motor vehicle, trailer, semitrailer, or pole trailer is to be registered, the owner
7 delivers an application for a certificate of title to the department, its authorized agent, or a county treasurer; or

8 (b) the county treasurer confirms that the department has an electronic record of title for the motor
9 vehicle, trailer, semitrailer, or pole trailer as provided under 61-3-101.

10 (3) (a) A county treasurer may register a motor vehicle, trailer, semitrailer, or pole trailer for which a
11 certificate of title and registration were issued in another jurisdiction and for which registration is required under
12 61-3-701 after the county treasurer examines the current out-of-jurisdiction registration certificate or receipt and
13 receives payment of the fees required in 61-3-701. The county treasurer may ask the motor vehicle, trailer,
14 semitrailer, or pole trailer owner to provide additional information, prescribed by the department, to ensure that
15 the electronic record of registration maintained by the department is complete.

16 (b) A county treasurer may register a motor vehicle, trailer, semitrailer, or pole trailer for which the new
17 owner cannot, due to circumstances beyond the new owner's control, surrender a previously assigned certificate
18 of title. The new owner may submit an application for certificate of title, subject to the registration renewal
19 limitations of 61-3-312.

20 (4) Upon registering a motor vehicle, trailer, semitrailer, or pole trailer for the first time in this state, the
21 county treasurer shall:

22 (a) update the electronic record of title, if any, maintained for the vehicle by the department under
23 61-3-101;

24 (b) assign a registration period for the vehicle under 61-3-311;

25 (c) determine the vehicle's age, if required, under 61-3-501;

26 (d) determine the amount of fees, including local option taxes or fees, to be paid under subsection (5);

27 and

28 (e) assign and issue license plates for the vehicle under 61-3-331.

29 (5) Unless otherwise provided by law, a person registering a motor vehicle shall pay to the county
30 treasurer:

- 1 (a) the fees in lieu of tax or registration fees as required for:
- 2 (i) a light vehicle under 61-3-321(2) or 61-3-562, in addition to, if applicable, any local option tax or fee
- 3 under 61-3-537 or 61-3-570;
- 4 (ii) a motor home under 61-3-321, in addition to the surcharge under [section 1];
- 5 (iii) a travel trailer under 61-3-321;
- 6 (iv) a motorcycle or quadricycle under 61-3-321;
- 7 (v) a bus, a truck having a manufacturer's rated capacity of more than 1 ton, or a truck tractor under
- 8 61-3-321 and 61-3-529; or
- 9 (vi) a trailer under 61-3-321;
- 10 (b) a donation of \$1 or more if the person indicates that the person wishes to donate to promote
- 11 awareness and education efforts for procurement of organ and tissue donations in Montana to favorably impact
- 12 anatomical gifts; and
- 13 (c) a donation of \$1 or more if the person indicates that the person wishes to donate to promote
- 14 education on, support for, and awareness of traumatic brain injury.
- 15 (6) The county treasurer may not issue a registration receipt or license plates for the motor vehicle,
- 16 trailer, semitrailer, or pole trailer to the owner unless the owner makes the payments required by subsection (5).
- 17 (7) The department may make full and complete investigation of the registration status of the motor
- 18 vehicle, trailer, semitrailer, or pole trailer. A person seeking to register a motor vehicle, trailer, semitrailer, or pole
- 19 trailer under this section shall provide additional information to support the registration to the department if
- 20 requested.
- 21 (8) Revenue that accrues from the voluntary donation provided in subsection (5)(b) must be forwarded
- 22 by the respective county treasurer to the department of revenue for deposit in the state special revenue fund to
- 23 the credit of an account established by the department of public health and human services to support activities
- 24 related to awareness and education efforts for procurement of organ and tissue donations for anatomical gifts.
- 25 (9) (a) Except as provided in subsection (9)(b), the fees in lieu of tax, taxes, and fees imposed on or
- 26 collected from the registration of a travel trailer, motorcycle, or quadricycle or a trailer, semitrailer, or pole trailer
- 27 that has a declared weight of less than 26,000 pounds are required to be paid only once during the time that the
- 28 travel trailer, motorcycle, quadricycle, trailer, semitrailer, or pole trailer is owned by the same person who
- 29 registered the travel trailer, motorcycle, quadricycle, trailer, semitrailer, or pole trailer. Once registered, a travel
- 30 trailer, motorcycle, quadricycle, trailer, semitrailer, or pole trailer is registered permanently unless ownership is

1 transferred.

2 (b) Whenever ownership of a travel trailer, motorcycle, quadricycle, trailer, semitrailer, or pole trailer is
3 transferred, the new owner is required to register the travel trailer, motorcycle, quadricycle, trailer, semitrailer,
4 or pole trailer as if it were being registered for the first time, including paying all of the required fees in lieu of tax,
5 taxes, and fees.

6 (10) Revenue that accrues from the voluntary donation provided in subsection (5)(c) must be forwarded
7 by the respective county treasurer to the department of revenue for deposit in the state special revenue fund to
8 the credit of the account established in 2-15-2218 to support activities related to education regarding prevention
9 of traumatic brain injury."

10

11 **Section 3.** Section 61-3-321, MCA, is amended to read:

12 **"61-3-321. Registration fees of vehicles and vessels -- certain vehicles exempt from registration**
13 **fees -- disposition of fees.** (1) Except as otherwise provided in this section, registration fees must be paid upon
14 registration or, if applicable, renewal of registration of motor vehicles, snowmobiles, watercraft, trailers,
15 semitrailers, and pole trailers as provided in subsections (2) through (18):

16 (2) (a) Except as provided in subsection (2)(b), there is a registration fee imposed on light vehicles. The
17 registration fee is in addition to other annual registration fees.

18 (b) The following vehicles are exempt from the registration fee imposed in this subsection (2):

19 (i) light vehicles that meet the description of property exempt from taxation under 15-6-201(1)(a), (1)(c),
20 (1)(d), (1)(e), (1)(f), (1)(g), (1)(i), (1)(j), (1)(l), or (1)(m), 15-6-203, or 15-6-215, except as provided in 61-3-520;

21 (ii) a light vehicle owned by a person eligible for a waiver of registration fees under 61-3-460;

22 (iii) a light vehicle registered under 61-3-456.

23 (c) The owner of a light vehicle subject to the provisions of 61-3-313 through 61-3-316 may register the
24 light vehicle for a period not to exceed 24 months. The application for registration or reregistration must be
25 accompanied by the registration fee and all other fees required in this chapter for each 12-month period of the
26 24-month period.

27 (d) The annual registration fee for light vehicles, trucks and buses under 1 ton, and logging trucks less
28 than 1 ton is as follows:

29 (i) if the vehicle is 4 or less years old, \$217;

30 (ii) if the vehicle is 5 through 10 years old, \$87; and

1 (iii) if the vehicle is 11 or more years old, \$28;

2 (e) The owner of a light vehicle 11 years old or older may permanently register the light vehicle as
3 provided in 61-3-562.

4 (3) (a) Except as provided in subsection (3)(c), the owner of a trailer, semitrailer, or pole trailer that has
5 a declared weight of less than 6,000 pounds shall pay a one-time fee of \$61.25.

6 (b) The owner of a trailer, semitrailer, or pole trailer with a declared weight of 6,000 pounds or more shall
7 pay a one-time fee of \$148.25.

8 (c) Except as provided in subsection (17), whenever a transfer of ownership of a trailer, semitrailer, or
9 pole trailer described in subsection (3)(a) or (3)(b) occurs, the one-time fee required under subsection (3)(a) or
10 (3)(b) must be paid by the new owner.

11 (4) The annual registration fee for motor vehicles owned and operated solely as collector's items
12 pursuant to 61-3-411 that are for motor vehicles:

13 (a) 2,850 pounds and over, \$10; and

14 (b) under 2,850 pounds, \$5.

15 (5) (a) The registration fee for off-highway vehicles is \$61.25. This fee is a one-time fee, except upon
16 transfer of ownership of an off-highway vehicle. Except as provided in subsection (17), whenever a transfer of
17 ownership of an off-highway vehicle occurs, the one-time fee required under this subsection must be paid by the
18 new owner.

19 (b) The application for registration for an off-highway vehicle must be made to the county treasurer of
20 the county in which the owner resides, on a form furnished by the department for that purpose. The application
21 must contain:

22 (i) the name and home mailing address of the owner;

23 (ii) the certificate of title number;

24 (iii) the name of the manufacturer of the off-highway vehicle;

25 (iv) the model number or name;

26 (v) the year of manufacture;

27 (vi) a statement evidencing payment of the fee in lieu of property tax; and

28 (vii) other information that the department may require.

29 (c) If the off-highway vehicle was previously registered, the application must be accompanied by the
30 registration certificate for the most recent year in which it was registered. Upon payment of the registration fee,

1 the county treasurer shall sign the application and issue a registration receipt containing the information
2 considered necessary by the department. The owner shall retain possession of the registration receipt until it is
3 surrendered to the county treasurer or to a purchaser or subsequent owner pursuant to a transfer of ownership.

4 (6) The annual registration fee for heavy trucks, buses, and logging trucks in excess of 1 ton is \$22.75.

5 (7) (a) The owner of a motor home shall pay an annual fee based on the age of the motor home
6 according to the following schedule:

7 (i) less than 2 years old, \$282.50 plus the surcharge under [section 1];

8 (ii) 2 years old and less than 5 years old, \$224.25 plus the surcharge under [section 1];

9 (iii) 5 years old and less than 8 years old, \$132.50 plus the surcharge under [section 1]; and

10 (iv) 8 years old and older, \$97.50 plus the surcharge under [section 1].

11 (b) (i) Except as provided in subsection (7)(b)(ii), the age of a motor home is determined by subtracting
12 the manufacturer's designated model year from the current calendar year.

13 (ii) If the purchase year of a motor home precedes the designated model year of the motor home and the
14 motor home is originally titled in Montana, then the purchase year is considered the model year for the purposes
15 of calculating the fee in lieu of tax.

16 (c) (i) The owner of a motor home 11 years old or older subject to the registration fee under subsection
17 (7)(a) may permanently register the motor home upon payment of:

18 (A) a fee of \$237.50 plus the surcharge under [section 1]; and

19 (B) if applicable, five times the personalized license plate fees under 61-3-406.

20 (ii) The following series of license plates may not be used for purposes of permanent registration of a
21 motor home:

22 (A) Montana national guard license plates issued under 61-3-458(2)(b);

23 (B) reserve armed forces license plates issued under 61-3-458(2)(c);

24 (C) license plates bearing a wheelchair design as a symbol of a person with a disability issued under
25 61-3-332(9);

26 (D) amateur radio operator license plates issued under 61-3-422;

27 (E) collegiate license plates issued under 61-3-465; and

28 (F) generic specialty license plates issued under 61-3-479.

29 (iii) Except as provided in subsection (17), whenever a transfer of ownership of a permanently registered
30 motor home occurs, the applicable fees required under this subsection (7) must be paid by the new owner.

1 (8) (a) The registration fee for motorcycles and quadricycles registered for use on public highways is
2 \$53.25, and the registration fee for motorcycles and quadricycles registered for both off-road use and for use on
3 the public highways is \$114.50.

4 (b) An additional fee of \$5 for a motorcycle or quadricycle with special license plates issued under
5 61-3-415 and, for a motorcycle or quadricycle under one-time registration, an additional fee of \$16 must be
6 collected for the registration of each motorcycle or quadricycle as a safety fee, which must be deposited in the
7 state motorcycle safety account provided for in 20-25-1002.

8 (c) The registration fees in this subsection (8) are a one-time fee, except upon transfer of ownership of
9 a motorcycle or quadricycle.

10 (9) (a) The registration fee for travel trailers under 16 feet in length is \$72 and the registration fee for
11 travel trailers 16 feet in length or longer is \$152. This fee is a one-time fee, except upon transfer of ownership
12 of a travel trailer.

13 (b) Except as provided in subsection (17), whenever a transfer of ownership of a travel trailer occurs,
14 the one-time fee required under subsection (9)(a) must be paid by the new owner.

15 (10) (a) The owner of each motorboat, sailboat, personal watercraft, or motorized pontoon requiring
16 numbering by this state shall file an application for number in the office of the county treasurer in the county where
17 the motorboat, sailboat, personal watercraft, or motorized pontoon is owned, on forms prepared and furnished
18 by the department. The application must be signed by the owner of the motorboat, sailboat, personal watercraft,
19 or motorized pontoon and be accompanied by the appropriate registration fee. The owner of a motorboat,
20 sailboat, personal watercraft, or motorized pontoon shall pay a one-time fee as follows:

21 (i) for a personal watercraft or a motorboat, sailboat, or motorized pontoon less than 16 feet in length,
22 \$65.50;

23 (ii) for a motorboat, sailboat, or motorized pontoon at least 16 feet in length but less than 19 feet in length,
24 \$125.50; and

25 (iii) for a motorboat, sailboat, or motorized pontoon 19 feet in length or longer, \$295.50.

26 (b) This fee is a one-time fee, except upon transfer of ownership of the motorboat, sailboat, personal
27 watercraft, or motorized pontoon.

28 (11) (a) Except as provided in subsection (11)(b), the one-time registration fee for a snowmobile is
29 \$60.50.

30 (b) If a snowmobile is licensed by a Montana business and is owned exclusively for the purpose of daily

1 rental to customers, the business is assessed:

2 (i) a fee of \$40.50 in the first year of registration; and

3 (ii) if the business reregisters the snowmobile for a second year, a fee of \$20. If the business reregisters
4 the snowmobile for a third year, the snowmobile must be permanently registered and the business is assessed
5 the fee in lieu of tax imposed in subsection (11)(a).

6 (c) Except as provided in subsection (17), whenever a transfer of ownership of a snowmobile occurs,
7 the applicable fee required under this subsection (11) must be paid by the new owner.

8 (12) A fee of \$5 must be collected when a new set of standard license plates or a new single standard
9 license plate provided for under 61-3-332 is issued.

10 (13) The provisions of this part with respect to the payment of registration fees do not apply to and are
11 not binding upon motor vehicles, trailers, semitrailers, snowmobiles, watercraft, or tractors owned or controlled
12 by the United States of America or any state, county, city, or special district, as defined in 18-8-202.

13 (14) When the license plates for a registered motor vehicle are transferred to a replacement vehicle under
14 61-3-317, 61-3-332, or 61-3-335, the owner of the motor vehicle shall pay a registration fee as follows:

15 (a) heavy trucks, buses, and logging trucks in excess of 1 ton, 75 cents;

16 (b) light vehicles, trucks and buses under 1 ton, and logging trucks less than 1 ton:

17 (i) if the vehicle is 4 years old or less, \$195.75;

18 (ii) if the vehicle is 5 years old through 10 years old, \$65.75; and

19 (iii) if the vehicle is 11 years old or older, \$6.75;

20 (c) motor homes:

21 (i) less than 2 years old, \$250.50 plus the surcharge under [section 1];

22 (ii) 2 years old and less than 5 years old, \$192.25 plus the surcharge under [section 1];

23 (iii) 5 years old and less than 8 years old, \$100.50 plus the surcharge imposed under [section 1]; and

24 (iv) 8 years old and older, \$65.50 plus the surcharge under [section 1];

25 (d) motorcycles and quadricycles registered for use on the public highways, \$42, and motorcycles and
26 quadricycles registered for both off-road use and for use on the public highways, \$103.25. This fee is a one-time
27 fee, except upon transfer of ownership.

28 (e) travel trailers under 16 feet in length, \$50.50, and travel trailers 16 feet in length or longer, \$130.50.
29 This fee is a one-time fee, except upon transfer of ownership.

30 (f) trailers, semitrailers, or pole trailers with a declared weight of less than 6,000 pounds, \$52. This fee

1 is a one-time fee, except upon transfer of ownership.

2 (g) trailers, semitrailers, or pole trailers with a declared weight of 6,000 pounds or more, \$139. This fee
3 is a one-time fee, except upon transfer of ownership.

4 (15) A person eligible for a waiver under 61-3-460 is exempt from the fees required under this section.

5 (16) Except as otherwise provided in this section, revenue collected under this section must be deposited
6 in the state general fund.

7 (17) The fees imposed by subsections (2) through (11) are not required to be paid by a dealer for the
8 enumerated vehicles or vessels that constitute inventory of the dealership.

9 (18) (a) Unless a person exercises the option in subsection (18)(b), an additional fee of \$4 must be
10 collected for each light vehicle registered for licensing pursuant to this part. This fee must be accounted for and
11 transmitted separately from the registration fee. The fee must be deposited in an account in the state special
12 revenue fund to be used for state parks, for fishing access sites, and for the operation of state-owned facilities.
13 Of the \$4 fee, the department shall use \$3.50 for state parks, 25 cents for fishing access sites, and 25 cents for
14 the operation of state-owned facilities at Virginia City and Nevada City.

15 (b) A person who registers a light vehicle may, at the time of annual registration, certify that the person
16 does not intend to use the vehicle to visit state parks and fishing access sites and may make a written election
17 not to pay the additional \$4 fee provided for in subsection (18)(a). If a written election is made, the fee may not
18 be collected.

19 (19) For each light vehicle, trailer, semitrailer, pole trailer, heavy truck, motor home, motorcycle,
20 quadricycle, and travel trailer subject to a registration fee under this section, an additional fee of \$5 must be
21 collected and forwarded to the state for deposit in the account established in 44-1-504.

22 (20) This section does not apply to a motor vehicle, trailer, semitrailer, or pole trailer that is governed by
23 61-3-721."

24
25 **NEW SECTION. Section 4. Codification instruction.** [Section 1] is intended to be codified as an
26 integral part of Title 61, chapter 3, part 5, and the provisions of Title 61, chapter 3, part 5, apply to [section 1].

27
28 **NEW SECTION. Section 5. Effective date.** [This act] is effective July 1, 2007.

29 - END -