

HOUSE BILL NO. 237

INTRODUCED BY M. CAFERRO

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING MOTOR VEHICLE TRANSFER FEES AND TAXES FOR MOTOR VEHICLES TRANSFERRED FROM AN OWNER TO THE OWNER'S REVOCABLE OR IRREVOCABLE TRUST; AMENDING SECTION 61-3-303, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

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

NEW SECTION. Section 1. Transfer of motor vehicle to trust -- exemption from fees and taxes

-- exceptions. (1) Except as provided in subsections (1)(d) and (2), a motor vehicle subject to new registration under 61-3-317(1) is exempt from local option taxes, registration fees, fees in lieu of tax, and other fees or taxes required by this chapter if the motor vehicle is being transferred from an owner to the owner's trust and the following provisions apply:

(a) the terms of the trust, whether revocable or irrevocable, provide that the owner or the owner's spouse is a beneficiary of the trust for life;

(b) the owner presents to the county treasurer a notarized statement from the attorney creating the trust to which the motor vehicle will be transferred affirming that the vehicle is being transferred from the owner to the owner's trust only and that the terms of the trust provide that the owner or the owner's spouse is a beneficiary of the trust for life; and

(c) the owner or the owner's trust pays to the county treasurer a fee of \$25 for the motor vehicle being transferred.

(2) If the vehicle owner intends to use the vehicle to visit state parks and fishing access sites, the owner or the owner's trust shall comply with the provisions of 61-3-321(18).

(3) Revenue collected under this section must be deposited in the state 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 of this state shall register the motor vehicle, trailer, semitrailer, or pole trailer in the office of the county treasurer

1 in the county where the owner is domiciled.

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

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

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

7 (3) (a) A county treasurer may register a motor vehicle, trailer, semitrailer, or pole trailer for which a
8 certificate of title and registration were issued in another jurisdiction and for which registration is required under
9 61-3-701 after the county treasurer examines the current out-of-jurisdiction registration certificate or receipt and
10 receives payment of the fees required in 61-3-701. The county treasurer may ask the motor vehicle, trailer,
11 semitrailer, or pole trailer owner to provide additional information, prescribed by the department, to ensure that
12 the electronic record of registration maintained by the department is complete.

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

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

19 (a) update the electronic record of title, if any, maintained for the vehicle by the department under
20 61-3-101;

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

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

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

24 and

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

26 (5) ~~Unless~~ Except as provided in [section 1] and unless otherwise provided by law, a person registering
27 a motor vehicle shall pay to the county treasurer:

28 (a) the fees in lieu of tax or registration fees as required for:

29 (i) a light vehicle under 61-3-321 or 61-3-562, in addition to, if applicable, any local option tax or fee
30 under 61-3-537 or 61-3-570;

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

1 motorcycle, quadricycle, trailer, semitrailer, or pole trailer as if it were being registered for the first time, including
2 paying all of the required fees in lieu of tax, taxes, and fees.

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

7
8 NEW SECTION. **Section 3. Codification instruction.** [Section 1] is intended to be codified as an
9 integral part of Title 61, chapter 3, part 3, and the provisions of Title 61, chapter 3, part 3, apply to [section 1].

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11 NEW SECTION. **Section 4. Effective date.** [This act] is effective January 1, 2010.

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