

SENATE BILL NO. 169

INTRODUCED BY B. HOVEN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING MOTOR VEHICLE LAWS; PROVIDING THAT A LIGHT
5 VEHICLE TRANSFERRED AND REGISTERED WITHIN THIS STATE IS NOT SUBJECT TO REGISTRATION
6 FEES OR TAXES UNTIL THE REGISTRATION PERIOD OF THE PREVIOUS OWNER HAS EXPIRED;
7 PROVIDING THAT THE REGISTRATION PERIOD FOR A LIGHT VEHICLE THAT IS PERMANENTLY
8 REGISTERED EXPIRES 1 YEAR AFTER TRANSFER OF THE LIGHT VEHICLE; AND AMENDING SECTIONS
9 61-3-321, 61-3-501, 61-3-537, 61-3-562, AND 61-3-570, MCA."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12
13 **Section 1.** Section 61-3-321, MCA, is amended to read:

14 **"61-3-321. Registration fees of vehicles and vessels -- certain vehicles exempt from registration**
15 **fees -- disposition of fees.** (1) Except as otherwise provided in this section, registration fees must be paid upon
16 registration or, if applicable, renewal of registration of motor vehicles, snowmobiles, watercraft, trailers,
17 semitrailers, and pole trailers as provided in subsections (2) through (20).

18 (2) (a) Except as provided in 61-3-501(3) and subsection (2)(b) of this section, unless a light vehicle is
19 permanently registered under 61-3-562, the annual registration fee for light vehicles, trucks, and buses that weigh
20 1 ton or less and for logging trucks that weigh 1 ton or less is as follows:

- 21 (i) if the vehicle is 4 or less years old, \$217;
- 22 (ii) if the vehicle is 5 through 10 years old, \$87; and
- 23 (iii) if the vehicle is 11 or more years old, \$28.

24 (b) For a light vehicle with a manufacturer's suggested retail price of more than \$150,000 that is 10 years
25 old or less, the annual registration fee is the amount provided for in subsection (2)(a) plus \$825.

26 (3) (a) Except as provided in subsection (15), the one-time registration fee based on the declared weight
27 of a trailer, semitrailer, or pole trailer is as follows:

- 28 (i) if the declared weight is less than 6,000 pounds, \$61.25; or
- 29 (ii) if the declared weight is 6,000 pounds or more, \$148.25.

30 (b) If a trailer, semitrailer, or pole trailer is registered under 61-3-701, the fees required in subsection

1 (3)(a) must be paid annually.

2 (4) Except as provided in subsection (15), the one-time registration fee for motor vehicles owned and
3 operated solely as collector's items pursuant to 61-3-411, based on the weight of the vehicle, is as follows:

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

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

6 (5) Except as provided in subsection (15), the one-time registration fee for off-highway vehicles other
7 than a quadricycle or motorcycle is \$61.25.

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

9 (7) (a) Except as provided in subsection (7)(c), the annual registration fee for a motor home, based on
10 the age of the motor home, is as follows:

11 (i) less than 2 years old, \$282.50;

12 (ii) 2 years old and less than 5 years old, \$224.25;

13 (iii) 5 years old and less than 8 years old, \$132.50; and

14 (iv) 8 years old and older, \$97.50.

15 (b) The owner of a motor home that is 11 years old or older and that is subject to the registration fee
16 under this section may permanently register the motor home upon payment of:

17 (i) a one-time registration fee of \$237.50;

18 (ii) unless a new set of license plates is being issued, an insurance verification fee of \$5, which must be
19 deposited in the account established under 61-6-158;

20 (iii) if applicable, five times the renewal fees for personalized license plates under 61-3-406; and

21 (iv) if applicable, the donation fee for a generic specialty license plate under 61-3-480 or a collegiate
22 license plate under 61-3-465.

23 (c) For a motor home with a manufacturer's suggested retail price of more than \$300,000 that is 10 years
24 old or less, the annual registration fee is the amount provided in subsection (7)(a) plus \$800.

25 (8) (a) Except as provided in subsection (15), the one-time registration fee for motorcycles and
26 quadricycles registered for use on public highways is \$53.25, and the one-time registration fee for motorcycles
27 and quadricycles registered for both off-road use and for use on the public highways is \$114.50.

28 (b) An additional fee of \$16 must be collected for the registration of each motorcycle or quadricycle as
29 a safety fee, which must be deposited in the state motorcycle safety account provided for in 20-25-1002.

30 (9) Except as provided in subsection (15), the one-time registration fee for travel trailers, based on the

1 length of the travel trailer, is as follows:

2 (a) under 16 feet in length, \$72; and

3 (b) 16 feet in length or longer, \$152.

4 (10) Except as provided in subsection (15), the one-time registration fee for a motorboat, sailboat,
5 personal watercraft, or motorized pontoon required to be numbered under 23-2-512 is as follows:

6 (a) for a personal watercraft or a motorboat, sailboat, or motorized pontoon less than 16 feet in length,
7 \$65.50;

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

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

11 (11) (a) Except as provided in subsections (11)(b) and (15), the one-time registration fee for a
12 snowmobile is \$60.50.

13 (b) (i) A snowmobile that is licensed by a Montana business and is owned exclusively for the purpose
14 of daily rental to customers is assessed:

15 (A) a fee of \$40.50 in the first year of registration; and

16 (B) if the business reregisters the snowmobile for a second year, a fee of \$20.

17 (ii) If the business reregisters the snowmobile for a third year, the snowmobile must be permanently
18 registered and the business is assessed the registration fee imposed in subsection (11)(a).

19 (12) (a) The one-time registration fee for a low-speed electric vehicle is \$25.

20 (b) The one-time registration fee for a golf cart that is owned by a person who has or is applying for a
21 low-speed restricted driver's license is \$25.

22 (c) The one-time registration fee for golf carts authorized to operate on certain public streets and
23 highways pursuant to 61-8-391 is \$25. Upon receipt of the fee, the department shall issue the owner a decal,
24 which must be displayed visibly on the golf cart.

25 (13) (a) Except as provided in subsection (13)(b), a fee of \$10 must be collected when a new set of
26 standard license plates, a new single standard license plate, or a replacement set of special license plates
27 required under 61-3-332 is issued. The \$10 fee imposed under this subsection does not apply when previously
28 issued license plates are transferred under 61-3-335. All registration fees imposed under this section must be
29 paid if the vehicle to which the plates are transferred is not currently registered.

30 (b) An additional fee of \$15 must be collected if a vehicle owner elects to keep the same license plate

1 number from license plates issued before January 1, 2010, when replacement of those plates is required under
2 61-3-332(3).

3 (c) The fees imposed in this subsection (13) must be deposited in the account established under
4 61-6-158, except that \$2 of the fee imposed in subsection (13)(a) must be deposited in the state general fund.

5 (14) The provisions of this part with respect to the payment of registration fees do not apply to and are
6 not binding upon motor vehicles, trailers, semitrailers, snowmobiles, watercraft, or tractors owned or controlled
7 by the United States of America or any state, county, city, or special district, as defined in 18-8-202, or to a vehicle
8 or vessel that meets the description of property exempt from taxation under 15-6-201(1)(a), (1)(d), (1)(e), (1)(g),
9 (1)(h), (1)(i), (1)(k), (1)(l), (1)(n), or (1)(o), 15-6-203, or 15-6-215, except as provided in 61-3-520.

10 (15) Whenever ownership of a trailer, semitrailer, pole trailer, off-highway vehicle, motorcycle,
11 quadricycle, travel trailer, motor home, motorboat, sailboat, personal watercraft, motorized pontoon, snowmobile,
12 motor vehicle owned and operated solely as a collector's item pursuant to 61-3-411, or low-speed electric vehicle
13 is transferred, the new owner shall title and register the vehicle or vessel as required by this chapter and pay the
14 fees imposed under this section.

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

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

18 (18) The fees imposed by subsections (2) through (12) are not required to be paid by a dealer for the
19 enumerated vehicles or vessels that constitute inventory of the dealership.

20 (19) (a) Unless a person exercises the option in either subsection (19)(b) or (19)(c), an additional fee of
21 \$6 must be collected for each light vehicle registered under this part. This fee must be accounted for and
22 transmitted separately from the registration fee. The fee must be deposited in an account in the state special
23 revenue fund to be used for state parks, for fishing access sites, and for the operation of state-owned facilities.
24 Of the \$6 fee, the department of fish, wildlife, and parks shall use \$5.37 for state parks [or as otherwise
25 appropriated by the legislature], 25 cents for fishing access sites, and 38 cents for the operation of state-owned
26 facilities at Virginia City and Nevada City.

27 (b) A person who registers a light vehicle may, at the time of annual registration, certify that the person
28 does not intend to use the vehicle to visit state parks and fishing access sites and may make a written election
29 not to pay the additional \$6 fee provided for in subsection (19)(a). If a written election is made, the fee may not
30 be collected.

1 (c) (i) A person who registers one or more light vehicles may, at the time of annual registration, certify
2 that the person does not intend to use any of the vehicles to visit state parks and fishing access sites and may
3 make a written election not to pay the additional \$6 fee provided for in subsection (19)(a). If a written election is
4 made, the fee may not be collected at any subsequent annual registration unless the person makes the written
5 election to pay the additional fee on one or more of the light vehicles.

6 (ii) The written election not to pay the additional fee on a light vehicle expires if the vehicle is registered
7 to a different person.

8 (20) For each light vehicle, trailer, semitrailer, pole trailer, heavy truck, motor home, motorcycle,
9 quadricycle, and travel trailer subject to a registration fee under this section, an additional fee of \$10 must be
10 collected and forwarded to the state for deposit in the account established in 44-1-504.

11 (21) (a) If a person exercises the option in subsection (21)(b), an additional fee of \$5 must be collected
12 for each light vehicle registered under this part. This fee must be accounted for and transmitted separately from
13 the registration fee. The fee must be deposited in an account in the state special revenue fund. Funds in the
14 account are statutorily appropriated, as provided in 17-7-502, to the department of transportation and must be
15 allocated as provided in 60-3-309.

16 (b) A person who registers one or more light vehicles may, at the time of annual registration, make a
17 written or electronic election to pay the additional \$5 fee provided for in subsection (21)(a).

18 (22) This section does not apply to a motor vehicle, trailer, semitrailer, or pole trailer that is governed by
19 61-3-721.

20 (23) (a) The \$800 and \$825 amounts collected based on the manufacturer's suggested retail price in
21 subsections (2) and (7) are exempt from the provisions of 15-1-122 and must be deposited in the motor vehicle
22 division administration account established in 61-3-112.

23 (b) By August 15 of each year, beginning in the fiscal year beginning July 1, 2019, the department of
24 justice shall deposit into the general fund an amount equal to the fiscal yearend balance minus 25% of the current
25 fiscal year appropriation for the motor vehicle division administration account established in 61-3-112. (Bracketed
26 language terminates June 30, 2019--sec. 21, Ch. 351, L. 2017.)"

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28 **Section 2.** Section 61-3-501, MCA, is amended to read:

29 **"61-3-501. When motor vehicle taxes and fees are due.** (1) ~~Motor~~ Except as provided in subsection
30 (3), motor vehicle registration fees, local option vehicle taxes or fees, fees in lieu of tax, and other fees must be

1 paid on the date of registration or renewal of registration of the motor vehicle.

2 (2) Motor vehicle registration fees, fees in lieu of tax, and local option taxes or fees imposed under this
3 chapter do not accrue after ownership of the motor vehicle has been transferred to another person.

4 (3) (a) If ownership of a light vehicle currently registered in this state is transferred and the person to
5 whom ownership is transferred registers the vehicle in this state, the provisions of subsections (3)(b) and (3)(c)
6 provide for the registration fee and taxes due. Upon registration, the person to whom ownership is transferred
7 is required to pay title fees, license plate fees, insurance verification fees, fees associated with special registration
8 provided for in Title 61, chapter 3, part 4, if applicable, and any other fees associated with registration except the
9 fees and taxes specifically identified in subsections (3)(b) and (3)(c).

10 (b) If the person to whom ownership of a light vehicle is transferred registers the vehicle pursuant to
11 61-3-321(2) or 61-3-562 and the vehicle was registered pursuant to 61-3-321(2) before the transfer of ownership,
12 the person is not required to pay the registration fee provided for in 61-3-321(2) or 61-3-562 or the taxes provided
13 for in 61-3-537 and 61-3-570 if the registration period of the previous owner has not expired. Upon expiration of
14 the registration period of the previous owner, the person to whom ownership is transferred shall pay the
15 registration fee provided for in 61-3-321(2) or 61-3-562 and any applicable taxes provided for in 61-3-537 and
16 61-3-570.

17 (c) If the vehicle was permanently registered pursuant to 61-3-562 before the transfer of ownership, the
18 registration period expires 1 year from the date of transfer and the person to whom ownership is transferred shall
19 pay the registration fee pursuant to 61-3-321(2) or 61-3-562 and the applicable taxes provided for in 61-3-537
20 and 61-3-570.

21 ~~(3)(4)~~ (a) For purposes of this chapter and except as provided in subsection ~~(3)(b)~~ (4)(b), the age of a
22 motor vehicle is determined by subtracting the manufacturer's designated model year from the current calendar
23 year.

24 (b) If the purchase year of a motor home precedes the designated model year of the motor home and
25 the motor home is originally titled in Montana, then the purchase year is considered the model year for calculating
26 the age of the motor home."
27

28 **Section 3.** Section 61-3-537, MCA, is amended to read:

29 **"61-3-537. Local option motor vehicle tax.** (1) A county may impose a local option motor vehicle tax
30 on motor vehicles subject to the registration fee imposed under 61-3-321(2) or 61-3-562 at a rate of up to 0.7%

1 of the value determined under 61-3-503 or a local flat fee, in addition to the fee imposed under 61-3-321(2) or
2 61-3-562.

3 (2) ~~A~~ Except as provided in 61-3-501(3), a local option motor vehicle tax or flat fee is payable at the same
4 time and in the same manner as the fee imposed under 61-3-321(2) or 61-3-562. The tax or fee is distributed as
5 follows:

6 (a) 50% to the county; and

7 (b) the remaining 50% to the county and the incorporated cities and towns within the county, apportioned
8 on the basis of population. The distribution to a city or town is determined by multiplying the amount of money
9 available by the ratio of the population of the city or town to the total county population. The distribution to the
10 county is determined by multiplying the amount of money available by the ratio of the population of unincorporated
11 areas within the county to the total county population.

12 (3) The governing body of a county may impose, revise, or revoke a local option motor vehicle tax or flat
13 fee if the imposition, revision, or revocation of the tax or fee is approved by the electorate of the county. The
14 imposition, revision, or revocation of the tax or fee is effective on January 1 following its approval by the
15 electorate. The county governing body by resolution may provide for the distribution of the local option motor
16 vehicle tax or flat fee."

17

18 **Section 4.** Section 61-3-562, MCA, is amended to read:

19 **"61-3-562. Permanent registration -- transfer of light vehicle ownership -- rules.** (1) (a) ~~The~~ Except
20 as provided in 61-3-501(3), the owner of a light vehicle 11 years old or older subject to the registration fee, as
21 provided in 61-3-321(2), may permanently register the light vehicle upon payment of a \$87.50 registration fee,
22 the applicable registration and license fees under 61-3-412, if applicable, the administrative fee and the annual
23 one-time-only donation fee for a generic specialty license plate under 61-3-480 or collegiate license plates under
24 61-3-465, and an amount equal to five times the local option motor vehicle tax or flat fee on vehicles under
25 61-3-537 and, as applicable, either:

26 (i) (A) the original fee and four times the renewal fee for personalized plates; or

27 (B) five times the renewal fees for personalized plates; or

28 (ii) if a new set of license plates is not being issued, an insurance verification fee of \$5, which must be
29 deposited in the account established under 61-6-158.

30 (b) The following series of license plates may not be used for purposes of permanent registration of a

1 light vehicle:

- 2 (i) Montana national guard license plates issued under 61-3-458(2)(b);
3 (ii) reserve armed forces license plates issued under 61-3-458(2)(c); and
4 (iii) amateur radio operator license plates issued under 61-3-422.

5 (2) In addition to the fees described in subsection (1), an owner of a truck with a manufacturer's rated
6 capacity of 1 ton or less that is permanently registered shall pay five times the applicable fees imposed under
7 61-10-201.

8 (3) The owner of a motor vehicle that is permanently registered under this section is not subject to
9 additional registration fees or to other motor vehicle registration fees described in this section for as long as the
10 owner owns the vehicle.

11 (4) The county treasurer shall once each month remit to the state the amounts collected under this
12 section, other than the local option motor vehicle tax or flat fee, for the purposes of 61-3-321(2) and 61-10-201.
13 The county treasurer shall retain the local option motor vehicle tax or flat fee.

14 (5) (a) The permanent registration of a light vehicle allowed by this section may not be transferred to a
15 new owner. If the light vehicle is transferred to a new owner, the department shall cancel the light vehicle's
16 permanent registration.

17 (b) Upon transfer of a light vehicle registered under this section to a new owner, the new owner shall
18 apply for a certificate of title under 61-3-201 and 61-3-216 and register the light vehicle under 61-3-303 subject
19 to the provisions of 61-3-501(3)(c)."

20

21 **Section 5.** Section 61-3-570, MCA, is amended to read:

22 **"61-3-570. Local option flat fee.** (1) A local option flat fee for each light vehicle may be imposed within
23 a county by the board of county commissioners by adoption of a resolution and referral to the electorate. The
24 imposition of the local option flat fee must be approved by the majority of the electorate voting in the election.

25 (2) ~~The~~ Except as provided in 61-3-501(3), the local option flat fee is:

- 26 (a) applicable annually for light vehicles that are registered annually; and
27 (b) a one-time fee for light vehicles registered under 61-3-562.

28 (3) Fees collected under this section must be distributed as provided in 61-3-537."

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- END -