

# SENATE BILL 279

R4

71r2159

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By: **Senator Middleton**

Introduced and read first time: January 31, 2007

Assigned to: Budget and Taxation

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 21, 2007

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Motor Homes and Travel Trailers – Vehicle Excise Tax – Definitions – Repeal**  
3 **of Sunset**

4 FOR the purpose of repealing the termination of certain provisions that alter the  
5 definitions of “fair market value” and “total purchase price” for purposes of the  
6 vehicle excise tax imposed on a motor home or a travel trailer to exclude from  
7 the computation of the tax, subject to a certain limitation, the value of a motor  
8 home or travel trailer traded as part of the consideration for the sale; repealing  
9 the termination of certain provisions that provide that certain definitions do not  
10 apply to the calculation of the vehicle excise tax imposed on a motor home or a  
11 travel trailer until certain bonds are no longer outstanding and unpaid; and  
12 generally relating to travel trailers and motor homes.

13 BY repealing and reenacting, without amendments,  
14 Article – Transportation  
15 Section 13–809(a)  
16 Annotated Code of Maryland  
17 (2006 Replacement Volume and 2006 Supplement)

18 BY repealing and reenacting, without amendments,

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Chapter 361 of the Acts of the General Assembly of 2001, as amended by  
2 Chapter 545 of the Acts of the General Assembly of 2004  
3 Section 3

4 BY repealing and reenacting, with amendments,  
5 Chapter 361 of the Acts of the General Assembly of 2001, as amended by  
6 Chapter 545 of the Acts of the General Assembly of 2004  
7 Section 5

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
9 MARYLAND, That the Laws of Maryland read as follows:

10 **Article - Transportation**

11 13-809.

12 (a) (1) In this section the following words have the meanings indicated.

13 (2) "Fair market value" means:

14 (i) Except as provided in item (v) of this paragraph, as to the  
15 sale of any new or used vehicle by a licensed dealer, the total purchase price, as  
16 certified by the dealer;

17 (ii) Except as provided in item (iv) of this paragraph, as to a  
18 used vehicle that is sold by any person other than a licensed dealer and that has a  
19 designated model year that is 7 years old or older, the greater of:

20 1. The total purchase price; or

21 2. \$640;

22 (iii) Except as provided in item (iv) of this paragraph, as to any  
23 other used vehicle that is sold by any person other than a licensed dealer:

24 1. The total purchase price, if the total purchase price is  
25 less than \$500 below the retail value of the vehicle as shown in a national publication  
26 of used car values adopted for use by the Department; or

27 2. If the total purchase price is \$500 or more below the  
28 retail value of the vehicle as shown in a national publication of used car values  
29 adopted for use by the Department:

1                   A.     The total purchase price, if verified to the satisfaction  
2 of the Administration by a notarized bill of sale submitted in accordance with  
3 subsection (d)(2) of this section; or

4                   B.     The valuation shown in the national publication of  
5 used car values, if the Administration finds that the documentation submitted under  
6 subsection (d)(2) of this section fails to verify the total purchase price;

7                   (iv)   As to a used trailer that is sold by any person other than a  
8 licensed dealer, the greater of:

9                   1.     The total purchase price; or

10                  2.     \$320;

11                  (v)   As to the sale of any new or used motor home or travel  
12 trailer by a licensed dealer, or a dealer licensed by another state or a foreign country,  
13 the total purchase price, as defined in paragraph (4)(ii) of this subsection, as certified  
14 by the dealer on a form acceptable to the Administration; and

15                  (vi)   In any other case, the valuation shown in a national  
16 publication of used car values adopted for use by the Department.

17                  (3)   “Motor home” has the meaning stated in § 11–134.3 of this article.

18                  (4)   “Total purchase price” means:

19                   (i)   Except as provided in item (ii) of this paragraph, the price of  
20 a vehicle agreed on by the buyer and the seller, including any dealer processing  
21 charge, with no allowance for trade-in or other nonmonetary consideration; and

22                   (ii)   In the case of a motor home or travel trailer, the price of the  
23 motor home or travel trailer agreed on by the buyer and the seller less the value, not  
24 to exceed the value shown in a national publication of used motor home and travel  
25 trailer values adopted for use by the Department, of any motor home or travel trailer  
26 that is traded in as part of the consideration of the sale.

27                  (5)   “Trailer” has the meaning stated in § 11–169 of this article.

28                  (6)   “Travel trailer” has the meaning stated in § 11–170 of this article.

1 SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding the  
 2 provisions of Section 1 of this Act, the modified definitions of “fair market value” and  
 3 “total purchase price” for the purposes of the calculation of the motor vehicle excise tax  
 4 imposed on a motor home or a travel trailer under § 13–809(a) of the Transportation  
 5 Article as enacted under Section 1 of this Act do not apply until any Consolidated  
 6 Transportation Bonds that were issued by the Department of Transportation before  
 7 July 1, 2001 no longer remain outstanding and unpaid; provided however, that in any  
 8 fiscal year for which funds are appropriated by the General Assembly to pay the  
 9 principal of and interest on the Department of Transportation’s Consolidated  
 10 Transportation Bonds due and payable in that fiscal year, the Motor Vehicle  
 11 Administration shall collect the reduced motor vehicle excise tax imposed on a motor  
 12 home or travel trailer by utilizing the modified definitions as enacted under Section 1  
 13 of this Act.

14 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 15 July 1, 2001. [Sections 1 and 3 of this Act shall remain effective for a period of 3 years  
 16 and, at the end of June 30, 2004, with no further action required by the General  
 17 Assembly, Sections 1 and 3 of this Act shall be abrogated and of no further force and  
 18 effect.]

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 20 June 1, 2007.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.