

SUBCOMMITTEE: SUBCOMMITTEE #2

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HOUSE BILL NO. 489

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on _____
on _____)

(Patron Prior to Substitute--Delegate Hurst)

A BILL to amend and reenact § 46.2-752 of the Code of Virginia, relating to registration and licensing of vehicles; payment of local taxes and fees.

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.

Owners or lessees of motor vehicles, trailers, and semitrailers who have served outside of the United States in the armed services of the United States shall have a 90-day grace period, beginning on

27 the date they are no longer serving outside the United States, in which to comply with the requirements of
28 this section. For purposes of this section, "the armed services of the United States" includes active duty
29 service with the regular Armed Forces of the United States or the National Guard or other reserve
30 component.

31 Local licenses may be issued free of charge for any or all of the following:

32 1. Vehicles powered by clean special fuels as defined in § 46.2-749.3, including dual-fuel and bi-
33 fuel vehicles,

34 2. Vehicles owned by volunteer emergency medical services agencies,

35 3. Vehicles owned by volunteer fire departments,

36 4. Vehicles owned or leased by active members or active auxiliary members of volunteer
37 emergency medical services agencies,

38 5. Vehicles owned or leased by active members or active auxiliary members of volunteer fire
39 departments,

40 6. Vehicles owned or leased by auxiliary police officers,

41 7. Vehicles owned or leased by volunteer police chaplains,

42 8. Vehicles owned by surviving spouses of persons qualified to receive special license plates under
43 § 46.2-739,

44 9. Vehicles owned or leased by auxiliary deputy sheriffs or volunteer deputy sheriffs,

45 10. Vehicles owned by persons qualified to receive special license plates under § 46.2-739,

46 11. Vehicles owned by any of the following who served at least 10 years in the locality: former
47 members of volunteer emergency medical services agencies, former members of volunteer fire
48 departments, former auxiliary police officers, members and former members of authorized police
49 volunteer citizen support units, members and former members of authorized sheriff's volunteer citizen
50 support units, former volunteer police chaplains, and former volunteer special police officers appointed
51 under former § 15.2-1737. In the case of active members of volunteer emergency medical services
52 agencies and active members of volunteer fire departments, applications for such licenses shall be
53 accompanied by written evidence, in a form acceptable to the locality, of their active affiliation or

54 membership, and no member of an emergency medical services agency or member of a volunteer fire
55 department shall be issued more than one such license free of charge,

56 12. All vehicles having a situs for the imposition of licensing fees under this section in the locality,

57 13. Vehicles owned or leased by deputy sheriffs; however, no deputy sheriff shall be issued more
58 than one such license free of charge,

59 14. Vehicles owned or leased by police officers; however, no police officer shall be issued more
60 than one such license free of charge,

61 15. Vehicles owned or leased by officers of the State Police; however, no officer of the State Police
62 shall be issued more than one such license free of charge,

63 16. Vehicles owned or leased by salaried firefighters; however, no salaried firefighter shall be
64 issued more than one such license free of charge,

65 17. Vehicles owned or leased by salaried emergency medical services personnel; however, no
66 salaried emergency medical services personnel shall be issued more than one such license free of charge,

67 18. Vehicles with a gross weight exceeding 10,000 pounds owned by museums officially
68 designated by the Commonwealth,

69 19. Vehicles owned by persons, or their surviving spouses, qualified to receive special license
70 plates under subsection A of § 46.2-743, and

71 20. Vehicles owned or leased by members of the Virginia Defense Force; however, no member of
72 the Virginia Defense Force shall be issued more than one such license free of charge.

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

77 The governing body of any county, city, or town issuing licenses free of charge under this
78 subsection may by ordinance provide for (i) the limitation, restriction, or denial of such free issuance to
79 an otherwise qualified applicant, including without limitation the denial of free issuance to a taxpayer who

80 has failed to timely pay personal property taxes due with respect to the vehicle and (ii) the grounds for
81 such limitation, restriction, or denial.

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

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

91 C. A county, city, or town may require that no motor vehicle, trailer, or semitrailer shall be locally
92 licensed until the applicant has produced satisfactory evidence that all personal property taxes on the motor
93 vehicle, trailer, or semitrailer to be licensed have been paid and satisfactory evidence that any delinquent
94 motor vehicle, trailer, or semitrailer personal property taxes owing have been paid which have been
95 properly assessed or are assessable against the applicant by the county, city, or town. A county, city, or
96 town may also provide that no motor vehicle license shall be issued unless the tangible personal property
97 taxes properly assessed or assessable by that locality on any tangible personal property used or usable as
98 a dwelling titled by the Department of Motor Vehicles and owned by the taxpayer have been paid. Any
99 county and any town within any such county may by agreement require that all personal property taxes
100 assessed by either the county or the town on any vehicle be paid before licensure of such vehicle by either
101 the county or the town.

102 C1. The Counties of Dinwiddie, Lee, and Wise may, by ordinance or resolution adopted after
103 public notice and hearing and, with the consent of the treasurer, require that no license may be issued
104 under this section unless the applicant has produced satisfactory evidence that all fees, including
105 delinquent fees, payable to such county or local solid waste authority, for the disposal of solid waste
106 pursuant to the Virginia Water and Waste Authorities Act (§ 15.2-5100 et seq.), or pursuant to § 15.2-

107 2159, have been paid in full. For purposes of this subsection, all fees, including delinquent fees, payable
108 to a county for waste disposal services described herein, shall be paid to the treasurer of such county;
109 however, in Wise County, the fee shall be paid to the county or its agent.

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

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

125 F. Notwithstanding the provisions of subsection E, in a consolidated county wherein a tier-city
126 exists, the tier-city may, in accordance with the provisions of the agreement or plan of consolidation,
127 impose license fees and taxes under this section in addition to those fees and taxes imposed by the county,
128 provided that the combined county and tier-city rates do not exceed the maximum provided in subsection
129 A. No credit shall be allowed on the fees or taxes imposed by the county for fees or taxes paid to the tier-
130 city, except as may be provided by the consolidation agreement or plan. The governing body of any county
131 and the governing body of any tier-city in such county wherein each imposes the license tax herein may
132 provide by mutual agreement that no more than one license plate or decal in addition to the state license
133 plate shall be required.

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

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

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

160 J. The treasurer or director of finance of any county, city, or town may enter into an agreement
161 with the Commissioner whereby the Commissioner will refuse to issue or renew any vehicle registration
162 of any applicant therefor who owes to such county, city, or town any local vehicle license fees or
163 delinquent tangible personal property tax or parking citations. Before being issued any vehicle registration
164 or renewal of such license or registration by the Commissioner, the applicant shall first satisfy all such
165 local vehicle license fees and delinquent taxes or parking citations and present evidence satisfactory to the
166 Commissioner that all such local vehicle license fees and delinquent taxes or parking citations have been
167 paid in full. However, a vehicle purchased by an applicant subsequent to the onset of enforcement action
168 under this subsection may be issued an initial registration for a period of up to 90 days to allow the
169 applicant to satisfy all applicable requirements under this subsection, provided that a fee sufficient for the
170 registration period, as calculated under subsection B of § 46.2-694, is paid. Such initial registration shall
171 not be eligible for the one-month registration extension provided for in § 46.2-752.1 for this same purpose.
172 The Commissioner shall charge a reasonable fee to cover the costs of such enforcement action, and the
173 treasurer or director of finance may add the cost of this fee to the delinquent tax bill or the amount of the
174 parking citation. The treasurer or director of finance of any county, city, or town seeking to collect
175 delinquent taxes or parking citations through the withholding of registration or renewal thereof by the
176 Commissioner as provided for in this subsection shall notify the Commissioner in the manner provided
177 for in his agreement with the Commissioner and supply to the Commissioner information necessary to
178 identify the debtor whose registration or renewal is to be denied. Any agreement entered into pursuant to
179 the provisions of this subsection shall provide the debtor notice of the intent to deny renewal of registration
180 or issuance of registration for any currently unregistered vehicle at least 30 days prior to the expiration
181 date of a current vehicle registration. For the purposes of this subsection, notice by first-class mail to the
182 registrant's address as maintained in the records of the Department of Motor Vehicles shall be deemed
183 sufficient. In the case of parking violations, the Commissioner shall only refuse to issue or renew the
184 vehicle registration of any applicant therefor pursuant to this subsection for the vehicle that incurred the
185 parking violations. The provisions of this subsection shall not apply to vehicles owned by firms or
186 companies in the business of renting motor vehicles.

187 K. The governing bodies of any two or more counties, cities, or towns may enter into compacts for
188 the regional enforcement of local motor vehicle license requirements. The governing body of each
189 participating jurisdiction may by ordinance require the owner or operator of any motor vehicle, trailer, or
190 semitrailer to display on his vehicle a valid local license issued by another county, city, or town that is a
191 party to the regional compact, provided that the owner or operator is required by the jurisdiction of situs,
192 as provided in § 58.1-3511, to obtain and display such license. The ordinance may also provide that no
193 motor vehicle, trailer, or semitrailer shall be locally licensed until the applicant has produced satisfactory
194 evidence that (i) all personal property taxes on the motor vehicle, trailer, or semitrailer to be licensed have
195 been paid to all participating jurisdictions and (ii) any delinquent motor vehicle, trailer, or semitrailer
196 personal property taxes that have been properly assessed or are assessable by any participating jurisdiction
197 against the applicant have been paid. Any city and any county having the urban county executive form of
198 government, the counties adjacent to such county and towns within them may require that no motor
199 vehicle, trailer, or semitrailer shall be licensed by that jurisdiction or any other jurisdiction in the compact
200 unless all fines owed to any participating jurisdiction by the owner of the vehicle for violation of any
201 participating jurisdiction's ordinances governing parking of vehicles have been paid. The ordinance may
202 further provide that a violation shall constitute a misdemeanor the penalty for which shall not exceed that
203 of a Class 4 misdemeanor. Any such ordinance may also provide that a violation of the ordinance by the
204 owner of the vehicle may not be discharged by payment of a fine and applicable court costs except upon
205 presentation of satisfactory evidence that the required license has been obtained. The provisions of this
206 subsection shall not apply to vehicles owned by firms or companies in the business of renting motor
207 vehicles.

208 L. In addition to the taxes and license fees permitted in subsection A, counties, cities, and towns
209 may charge a license fee of no more than \$1 per motor vehicle, trailer, and semitrailer. Except for the
210 provisions of subsection B, such fee shall be subject to all other provisions of this section. All funds
211 collected pursuant to this subsection shall be paid pursuant to § 51.1-1204 to the Volunteer Firefighters'
212 and Rescue Squad Workers' Service Award Fund to the accounts of all members of the Fund who are

213 volunteers for fire departments or emergency medical services agencies within the jurisdiction of the
214 particular county, city, or town.

215 M. In any county, the county treasurer or comparable officer and the treasurer of any town located
216 wholly or partially within such county may enter into a reciprocal agreement, with the approval of the
217 respective local governing bodies, that provides for the town treasurer to collect license fees or taxes on
218 any motor vehicle, trailer, or semitrailer owed to the county that are non-delinquent, delinquent, or both
219 or for the county treasurer to collect license fees or taxes on any motor vehicle, trailer, or semitrailer owed
220 to the town that are non-delinquent, delinquent, or both. A treasurer or comparable officer collecting any
221 such license fee or tax pursuant to an agreement entered into under this subsection shall account for and
222 pay over such amounts to the locality owed such license fee or tax in the same manner as provided by law.
223 As used in this subsection, with regard to towns, "treasurer" means the town officer or employee vested
224 with authority by the charter, statute, or governing body to collect local taxes.

225 N. For any summons issued for a violation of this section, the court may, in its discretion, dismiss
226 the summons, where proof of compliance with this section is provided to the court on or before the court
227 date.

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