

2017 -- H 5559

LC001389

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO TAXATION - EXCISE ON MOTOR VEHICLES AND TRAILERS

Introduced By: Representatives Vella-Wilkinson, Jacquard, Perez, Lancia, and McEntee

Date Introduced: February 16, 2017

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-34-2 of the General Laws in Chapter 44-34 entitled "Excise on
2 Motor Vehicles and Trailers" is hereby amended to read as follows:

3 **44-34-2. Assessment -- Valuation -- Proration -- Abatement and cancellation --**
4 **Exemptions from tax.**

5 (a) Except as provided in this section, the tax assessors of each city and town shall assess
6 and levy in each calendar year on every vehicle and trailer registered under chapter 3 of title 31,
7 for the privilege of the registration, an excise measured by its value, as subsequently defined and
8 determined. For the purpose of this excise, the uniform value of each vehicle shall be determined
9 in accordance with the regulations of the vehicle value commission. Any vehicle which is ~~more~~
10 ~~than twenty five (25)~~ fifteen (15) years old or older, ~~whether or not unless~~ the vehicle is an
11 antique motor car as defined in § 31-1-3(a), shall be assessed a flat excise tax of fifty dollars
12 (\$50.00) ~~deemed to possess an average retail value of five hundred dollars (\$500). Any vehicle~~
13 ~~more than twenty five (25) years old on June 16, 1987, whether or not the vehicle is an antique~~
14 ~~motor car as defined in § 31-1-3(a), shall be deemed to have an average retail value of five~~
15 ~~hundred dollars (\$500) or its actual retail value whichever is less.~~ The minimum excise tax on any
16 vehicle, if registered to the same owner for a full year or portion of the year, shall not be less than
17 five dollars (\$5.00) unless the registration is transferred to one or more additional vehicles or
18 trailers, in which case the minimum or combined excise taxes shall not be less than five dollars
19 (\$5.00). Beginning in fiscal year 2001, the assessor may, but is not required to, issue minimum

1 tax bills as authorized by this section or any general or public law. Beginning in fiscal year 2002
2 and thereafter, the assessor shall not issue minimum tax bills, notwithstanding any general or
3 public law to the contrary. The assessor may waive the excise tax on any vehicle where the
4 annual levy would be less than five dollars (\$5.00). The state shall not provide reimbursement for
5 any waiver.

6 (b) Vehicle and trailer excises shall be prorated over the calendar year prior to the year in
7 which the excises are levied and billed, that year being referred to as the calendar year of
8 proration.

9 (c) The excise levy on every vehicle and trailer registered under chapter 3 of title 31 shall
10 be based on the ratio that the number of days the vehicle or trailer is registered is to the number of
11 days in the calendar year of proration.

12 (d) If during the calendar year of proration, the owner of a vehicle or trailer subject to the
13 excise moves permanently with his or her vehicle to another state and cancels his or her
14 registration in this state and returns the registration plates, the vehicle shall be exempt from excise
15 for the ensuing year.

16 (e) "Year of manufacture" as used in this section means the year used by the
17 manufacturer of the vehicle or trailer in connection with the designation by the manufacturer of
18 the model of the vehicle or trailer. Where the presumptive price of a vehicle or trailer is not
19 readily obtainable, or special equipment is installed on the vehicle or trailer, the tax assessor shall
20 prescribe the retail price to be used or the manner in which the retail price shall be determined.

21 (f) Nothing in this section shall be construed to prevent any city or town council from
22 granting an abatement, in whole or in part, when there is an error in the assessment of a tax, and
23 the tax assessors have certified to the fact, in writing, to the city or town council to cancel taxes
24 stating the nature of the error, the valuation of the vehicle or trailer, the amount of the assessed
25 tax and the name of the person to whom the vehicle or trailer was taxed.

26 (g) The city or town council may cancel, in whole or in part, an excise tax assessed to a
27 person who has died leaving no estate, or a person who has moved from the state, and the tax
28 collector or person acting in the capacity of tax collector certifies to the city or town council the
29 facts of the case.

30 (h) The excise imposed by this section shall not apply to vehicles or trailers owned by the
31 state of Rhode Island or any of its political subdivisions, or to vehicles or trailers owned by a
32 corporation, association or other organization whose tangible personal property is exempt under §
33 44-3-3(1) -- (15), or to vehicles assessed and taxed under § 44-13-13, or those owned by the
34 United States government. Farm vehicles shall be exempt to the extent prescribed in § 44-5-42.

1 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
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1 This act would cap the excise tax on vehicles aged fifteen (15) years and older at the sum
2 of fifty dollars (\$50.00).

3 This act would take effect upon passage.

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