

#### Model 1

Impose an annual 4% governmental service tax on motor vehicles ,trucks, motorcycles ,trailers, campers,buses. The 4% rate applies to 50% of a vehicles manufacturers suggested retail price (MSRP). The municipal assessor the base value according to statutory schedules. The base vale for cars decreases over 9 years from 100% in the first year to 15% in the ninth and subsequent years. The base value for buses ,trucks, trailers,tractor-trailers decreases over 10 years,from 100% in the first year to 23% in the 10<sup>th</sup> and subsequent years.

The model will also allow municipalities by referendum or by a majority vote of their legislative body to add 1% to the statewide car tax to finance capitol improvement projects and/or supplement local property tax.

#### Model 2

Impose a motor vehicle license tax and share the revenue with municipalities. Tax on all vehicles will be 80% of the MSRP for the first year after initial registration and is reduced 12.25% in each succeeding year. Each vehicle will be taxed at a rate of 2.89%. This tax will apply to all vehicles inclusive of trailers,semi-trailers,motorcycles,and all terrain vehicles.

Revenue from the tax is distributed according to a statutory schedule based on the submission of the total grand list levy including supplemental list of the municipality to OPM as of October 1.

#### Model 3

Replace the motor vehicle property tax and state motor vehicle sales tax with a one time title fee. The fee equal the MSRP multiplied by a statutory rate which starts at 6.5% in the first year, increasing to 6.75% in the second year, and levels at 7% in the 3<sup>rd</sup> and final year. The state and the municipalities split the revenue with the latter guaranteed a base amount plus 2% growth per year for 10 years.

#### Model 4

Impose an annual vehicle ownership tax on all motor vehicles including trucks,tractor-trailers,motorcycles,all terrain vehicles,campers etc.The tax is based on 85% of a vehicles MSRP. This value is taxed according to a statutory 10 year descending rate schedule:

1<sup>st</sup> year- 2.89%

2<sup>nd</sup> yr. -2.10%

3<sup>rd</sup> yr -1.75%

4<sup>th</sup> yr. -1.50%

5<sup>th</sup> thru 9<sup>th</sup> - .90%

10<sup>th</sup> yr. older minimum up to \$2,000 of assessed value