



WORKING DRAFT

General Assembly

January Session, 2013

Raised Bill No.

LCO No. 6270



Referred to Committee on

Introduced by:

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AN ACT CONCERNING THE MILL RATE FOR MOTOR VEHICLES, THE ASSESSMENT OF ANTIQUE, RARE OR SPECIAL INTEREST MOTOR VEHICLES, THE REGISTRATION OF CERTAIN MOTOR VEHICLES AND FEES FOR RENTAL PASSENGER MOTOR VEHICLES AND RENTAL TRUCKS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2013*) (a) For the fiscal year
2 commencing July 1, 2014, each municipality shall levy property tax on
3 motor vehicles subject to taxation under chapter 203 of the general
4 statutes in accordance with the provisions of this section. Commencing
5 in said fiscal year, any municipality may establish a mill rate for motor
6 vehicles that is different from the municipality's mill rate for real
7 property, provided any such motor vehicle mill rate is established in
8 accordance with the provisions of subsection (b) of this section.

9 (b) Municipal mill rates for motor vehicles shall be established as
10 follows: (1) For the fiscal year commencing July 1, 2014, no
11 municipality shall establish a mill rate for motor vehicles that exceeds
12 eighty mills; (2) for the fiscal year commencing July 1, 2015, no
13 municipality shall establish a mill rate for motor vehicles that exceeds

WORKING DRAFT

<A>Bill No.

14 seventy-two mills; (3) for the fiscal year commencing July 1, 2016, no
15 municipality shall establish a mill rate for motor vehicles that exceeds
16 sixty-two mills; (4) for the fiscal year commencing July 1, 2017, no
17 municipality shall establish a mill rate for motor vehicles that exceeds
18 fifty-two mills; (5) for the fiscal year commencing July 1, 2018, no
19 municipality shall establish a mill rate for motor vehicles that exceeds
20 forty-two mills; (6) for the fiscal year commencing July 1, 2019, no
21 municipality shall establish a mill rate for motor vehicles that exceeds
22 thirty-two mills; (7) for the fiscal year commencing July 1, 2020, no
23 municipality shall establish a mill rate for motor vehicles that exceeds
24 twenty-two mills; (8) for the fiscal year commencing July 1, 2021, no
25 municipality shall establish a mill rate for motor vehicles that exceeds
26 twelve mills; (9) for the fiscal year commencing July 1, 2022, no
27 municipality shall establish a mill rate for motor vehicles that exceeds
28 two mills; and (10) for fiscal years commencing on and after July 1,
29 2023, no municipality shall tax motor vehicles.

30 Sec. 2. (NEW) (*Effective from passage*) There is established an account
31 to be known as the "municipal reimbursement and revenue account"
32 which shall be a separate, nonlapsing account within the General
33 Fund. The account shall contain any moneys required by law to be
34 deposited in the account.

35 Sec. 3. Subsection (b) of section 12-71 of the general statutes is
36 repealed and the following is substituted in lieu thereof (*Effective*
37 *October 1, 2015, and applicable to assessment years commencing on and after*
38 *said date*):

39 (b) Except as otherwise provided by the general statutes, property
40 subject to this section shall be valued at the same percentage of its then
41 actual valuation as the assessors have determined with respect to the
42 listing of real estate for the same year, except that any antique, rare or
43 special interest motor vehicle, as defined in section 14-1, as amended
44 by this act, shall be assessed at a value of not more than two thousand
45 five hundred dollars. The owner of such antique, rare or special

WORKING DRAFT

<A>Bill No.

46 interest motor vehicle may be required by the assessors to provide
47 reasonable documentation that such motor vehicle is an antique, rare
48 or special interest motor vehicle, provided any motor vehicle for which
49 special number plates have been issued pursuant to section 14-20, as
50 amended by this act, shall not be required to provide any such
51 documentation. The provisions of this section shall not include money
52 or property actually invested in merchandise or manufacturing carried
53 on out of this state or machinery or equipment which would be eligible
54 for exemption under subdivision (72) or (76) of section 12-81 once
55 installed and which cannot begin or which has not begun
56 manufacturing, processing or fabricating; or which is being used for
57 research and development, including experimental or laboratory
58 research and development, design or engineering directly related to
59 manufacturing or being used for the significant servicing, overhauling
60 or rebuilding of machinery and equipment for industrial use or the
61 significant overhauling or rebuilding of other products on a factory
62 basis or being used for measuring or testing or metal finishing or in the
63 production of motion pictures, video and sound recordings.

64 Sec. 4. Subdivision (3) of section 14-1 of the general statutes is
65 repealed and the following is substituted in lieu thereof (*Effective*
66 *October 1, 2015*):

67 (3) "Antique, rare or special interest motor vehicle" means a motor
68 vehicle [twenty] thirty years old or older [which] that is being
69 preserved because of historic interest and [which] that is not altered or
70 modified from the original manufacturer's specifications;

71 Sec. 5. Subdivision (49) of section 14-1 of the general statutes is
72 repealed and the following is substituted in lieu thereof (*Effective*
73 *October 1, 2015*):

74 (49) "Modified antique motor vehicle" means a motor vehicle
75 [twenty] thirty years old or older [which] that has been modified for
76 safe road use, including, but not limited to, modifications to the drive

WORKING DRAFT

<A>Bill No.

77 train, suspension, braking system and safety or comfort apparatus;

78 Sec. 6. Section 14-20 of the general statutes is repealed and the
79 following is substituted in lieu thereof (*Effective July 1, 2013*):

80 (a) The Commissioner of Motor Vehicles may issue special number
81 plates for antique, rare or special interest motor vehicles, including
82 antique, rare or special interest motor vehicles that have been
83 modified, such special number plates to be issued on a permanent
84 basis, except as provided in subsection (c) of this section. The
85 commissioner shall charge a fee for such plates which shall cover the
86 entire cost of making the same. An owner of such antique, rare or
87 special interest motor vehicle may use such owner's own porcelain
88 number plate in place of the plates issued by the commissioner
89 provided (1) such plate was originally issued by the department, [and]
90 (2) such owner files with the commissioner a description and the
91 number of such plate, and (3) such owner certifies that such motor
92 vehicle is not driven more than two thousand miles in a two-year
93 period and provides any additional information the commissioner
94 may require. Any fee collected by the commissioner for registration of
95 an antique, rare or special interest motor vehicle shall be deposited
96 into the "municipal reimbursement and revenue account" established
97 pursuant to section 2 of this act.

98 (b) Notwithstanding the provisions of subsection (a) of this section,
99 section 14-18 and section 14-21b, the owner of such antique, rare or
100 special interest motor vehicle may be authorized by the commissioner
101 to display a number plate originally issued by the Commissioner of
102 Motor Vehicles corresponding to the year of manufacture of such
103 antique, rare or special interest motor vehicle. The commissioner shall
104 issue a certificate of registration, as provided in section 14-12. Such
105 registration shall be valid, subject to renewal, as long as the
106 commissioner permits. Thereafter, the registration number and
107 number plates, if any, which were assigned to such motor vehicle
108 before such registration and number plates were issued under this

WORKING DRAFT

<A>Bill No.

109 section, shall be in effect. Each such number plate authorized for use
110 by the commissioner shall be displayed in a conspicuous place at the
111 rear of such motor vehicle at all times while the vehicle is in use or
112 operation upon any public highway. A sticker shall be affixed to each
113 such number plate to denote the expiration date of the registration,
114 unless the commissioner authorizes the sticker, or other evidence of
115 the period of the registration, to be placed elsewhere or carried in such
116 motor vehicle. Such sticker may contain the corresponding letters and
117 numbers of the registration and number plate. The commissioner may
118 adopt regulations, in accordance with chapter 54, to implement the
119 provisions of this section.

120 (c) On and after October 1, 2015, any person who has been issued a
121 special number plate for an antique, rare or special interest motor
122 vehicle that is less than thirty years old on said date shall forfeit such
123 special number plate upon renewal of a registration for such motor
124 vehicle pursuant to section 14-12.

125 Sec. 7. Subsection (b) of section 14-58 of the general statutes is
126 repealed and the following is substituted in lieu thereof (*Effective July*
127 *1, 2013*):

128 (b) Each such licensee shall, instead of registering each motor
129 vehicle owned by such licensee or temporarily in such licensee's
130 custody, make application to the commissioner for a general
131 distinguishing number and mark, and the commissioner may issue to
132 the applicant a certificate or certificates of registration containing the
133 distinguishing number and mark assigned to such applicant, and
134 made in a form and containing any further information that the
135 commissioner may determine, and, thereupon, each motor vehicle
136 owned by the applicant or temporarily in the applicant's custody shall
137 be regarded as registered under and having assigned to it such general
138 distinguishing number and mark until sold. For the registration of all
139 motor vehicles registered under a general distinguishing number and
140 mark, the commissioner shall charge a fee at the rate of seventy dollars

WORKING DRAFT

<A>Bill No.

141 per year and shall deposit such fee into the "municipal reimbursement
142 and revenue account" established pursuant to section 2 of this act. No
143 new car dealer may be issued more than one such registration for each
144 ten sales transactions in a year and no repairer or limited repairer may
145 be issued more than three registrations in a year, unless such licensee
146 makes application for an additional registration to the commissioner,
147 in such form and containing such information as the commissioner
148 may require to substantiate such request. No used car dealer may be
149 issued more than three such registrations in a year, provided an
150 additional registration may be issued for each ten sales transactions in
151 excess of thirty such transactions upon submission of such application
152 for an additional registration. The commissioner may issue to each
153 such licensee such additional registrations as the commissioner deems
154 necessary. The commissioner may withdraw any registration
155 previously issued or may limit the number of registrations which any
156 licensee is eligible to receive or to hold, if the commissioner determines
157 that a licensee does not require such number of registrations or if a
158 licensee has been found to be in violation of any of the provisions of
159 section 14-64.

160 Sec. 8. Subsections (a) and (b) of section 12-692 of the general
161 statutes are repealed and the following is substituted in lieu thereof
162 (*Effective July 1, 2013*):

163 (a) For purposes of this section:

164 (1) "Passenger motor vehicle" means a passenger vehicle, which is
165 rented without a driver and which is part of a motor vehicle fleet of
166 five or more passenger motor vehicles that are used for rental purposes
167 by a rental company.

168 (2) "Rental truck" means a (A) vehicle rented without a driver that
169 has a gross vehicle weight rating of twenty-six thousand pounds or
170 less and is used in the transportation of personal property but not for
171 business purposes, or (B) trailer that has a gross vehicle weight rating

WORKING DRAFT

<A>Bill No.

172 of not more than six thousand pounds.

173 (3) "Rental company" means any business entity that is engaged in
174 the business of renting passenger motor vehicles, rental trucks without
175 a driver or machinery in this state to lessees and that uses for rental
176 purposes a motor vehicle fleet of five or more passenger motor
177 vehicles, rental trucks or pieces of machinery in this state, but does not
178 mean any person, firm or corporation that is licensed, or required to be
179 licensed, pursuant to section 14-52, (A) as a new car dealer, repairer or
180 limited repairer, or (B) as a used car dealer that is not primarily
181 engaged in the business of renting passenger motor vehicles or rental
182 trucks without a driver in this state to lessees.

183 (4) "Lessee" means any person who leases a passenger motor
184 vehicle, rental truck or machinery from a rental company for such
185 person's own use and not for rental to others.

186 (5) "Machinery" means heavy equipment without an operator that
187 may be used for construction, mining or forestry, including, but not
188 limited to, bulldozers, earthmoving equipment, well-drilling
189 machinery and equipment or cranes.

190 (b) (1) [There] Except as provided in subdivision (2) of this
191 subsection, there is hereby imposed a three per cent surcharge on each
192 passenger motor vehicle or rental truck rented within the state by a
193 rental company to a lessee for a period of less than thirty-one days. The
194 rental surcharge shall be imposed on the total amount the rental
195 company charges the lessee for the rental of a motor vehicle. Such
196 surcharge shall be in addition to any tax otherwise applicable to any
197 such transaction and shall be includable in the measure of the sales
198 and use taxes imposed under chapter 219.

199 (2) In addition to the three per cent surcharge in subdivision (1) of
200 this subsection, for the fiscal year commencing July 1, 2013, and ending
201 June 30, 2014, there is hereby imposed a three per cent surcharge, and
202 for the fiscal year commencing July 1, 2014, and ending June 30, 2015,

WORKING DRAFT

<A>Bill No.

203 there is hereby imposed a six per cent surcharge, on each passenger
204 motor vehicle or rental truck rented within the state by a rental
205 company to a lessee for a period of less than thirty-one days. The rental
206 surcharge shall be imposed in the same manner as provided in
207 subdivision (1) of this subsection. On or before February 15, 2014, and
208 the fifteenth of February annually thereafter until February 15, 2016,
209 each rental company shall remit to the Commissioner of Revenue
210 Services for deposit into the municipal reimbursement and revenue
211 fund established in section 2 of this act the aggregate amount of the
212 surcharge collected under this subdivision.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2013</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>October 1, 2015, and applicable to assessment years commencing on and after said date</i>	12-71(b)
Sec. 4	<i>October 1, 2015</i>	14-1(3)
Sec. 5	<i>October 1, 2015</i>	14-1(49)
Sec. 6	<i>July 1, 2013</i>	14-20
Sec. 7	<i>July 1, 2013</i>	14-58(b)
Sec. 8	<i>July 1, 2013</i>	12-692(a) and (b)