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Luckhaupt
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CS FOR HOUSE BILL NO. 64(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES STOLTZE AND KELLER, Costello, Neuman, Lynn

A BILL

FOR AN ACT ENTITLED

"An Act relating to permanent motor vehicle registration; relating to the motor vehicle registration tax; relating to the registration fee for noncommercial trailers and to the motor vehicle tax for trailers; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* **Section 1.** AS 28.10.108(a) is amended to read:

(a) Except for a vehicle registered under AS 28.10.152 **or 28.10.155**, a vehicle required to be registered under this chapter shall be registered under the procedures set out in this section.

* **Sec. 2.** AS 28.10.108(f) is amended to read:

(f) Upon request of the owner and payment of the proportionate prorated applicable fees, a vehicle registered under this section shall have its registration period extended in monthly increments to allow biennial registration to occur in the month of the owner's choice, except that registration may not extend beyond the expiration of an emissions inspection and maintenance certificate required for the vehicle.

Notwithstanding the other provisions of this chapter, upon request of the owner, payment of the annual fee set out in AS 28.10.421(h) [, PAYMENT OF ANY ANNUAL VEHICLE REGISTRATION TAX DUE UNDER AS 28.10.431(*l*),] and, if applicable, payment of one-half of the biennial emission control inspection program fee imposed under AS 28.10.423, the department shall register a vehicle used for commercial purposes for a one-year period.

* **Sec. 3.** AS 28.10 is amended by adding a new section to read:

Sec. 28.10.155. Permanent motor vehicle registration. (a) The owner of a motor vehicle, other than a commercial motor vehicle, that is required to be registered under this chapter may elect to permanently register the motor vehicle in lieu of registration under AS 28.10.108 if the vehicle is at least eight years old. The permanent registration expires when the owner transfers or assigns the owner's title or interest in the vehicle. A permanent registration may not be renewed. On receiving the proper application and fees, the department shall issue to the registered owner registration plates, tabs, and a permanent registration form.

(b) The fees for permanent registration must equal the fees that would be applicable if the motor vehicle were registered under AS 28.10.108, except that the permanent registration fee rate equals three times the rate established in AS 28.10.421. Except as provided in AS 28.10.423(b) or 28.10.431(j)(2), the owner of a permanently registered motor vehicle is not required to pay other fees or taxes under this chapter.

* **Sec. 4.** AS 28.10.181(a) is amended to read:

(a) The department shall register unique and special vehicles and vehicles used for special purposes and issue registration plates as provided in this section. Notwithstanding other provisions of this chapter, registration plates issued under this section remain with the person or organization to whom they are issued when vehicle ownership is transferred or title or interest in the vehicle is assigned, except for plates issued under (b), (h) and (i) of this section. Registration plates issued under this section may not be used on, or transferred to, a vehicle other than the vehicle for which the plates are issued without the approval of the department and payment of any required fees [AND TAXES] prescribed in AS 28.10.421(d) [, 28.10.431,] and 28.10.441. Registration plates issued under this section to which a person is no longer entitled or the transfer of the plates to another vehicle that the department does not approve shall be returned immediately to the department by the person or organization to whom the plates were originally issued.

* **Sec. 5.** AS 28.10.411(f) is amended to read:

(f) A resident 65 years of age or older on January 1 of the year the vehicle is registered or a resident with a disability that limits or impairs the ability to walk and who provides proof of that disability as provided in 23 C.F.R. 1235.2 is entitled to an exemption from the registration fee required under this section for one vehicle subject to registration under AS 28.10.421(b)(1), (2), **or** (5), or **(i)** [(6)]. An exemption may not be granted except upon written application for the exemption on a form prescribed by the department.

* **Sec. 6.** AS 28.10.421 is amended by adding a new subsection to read:

(j) When a person registers a trailer not used or maintained for the transportation of persons or property for hire or for other commercial use, including a boat trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or a trailer rented or offered for rent, a person may choose to pay a biennial registration fee of $30 or a one-time registration fee of $100. If the person chooses to pay the one-time registration fee, no additional registration fees are required if the same person who initially registered the trailer continues to own the trailer. A new owner of a trailer previously registered under this subsection shall register and pay the biennial registration fee or the one-time registration fee as provided in this subsection.

* **Sec. 7.** AS 28.10.423 is amended by adding a new subsection to read:

(b) In addition to the permanent registration fee established in AS 28.10.155, a $2 fee is imposed on the owner of each permanently registered motor vehicle required to be inspected under an emission control program established in AS 46.14.400 or 46.14.510. That fee shall be collected biennially.

* **Sec. 8.** AS 28.10.431(b) is amended to read:

(b) The biennial tax is levied upon motor vehicles subject to the registration fee under AS 28.10.411 and 28.10.421 and is based upon the age of vehicles as determined by model year in the first year of the biennial period, according to the following schedule:

Tax According to Age of
Vehicle
Since Model Year:

	1st	2nd	3rd	4th	5th	6th	7th	8th or over
Motor Vehicle								
(1) motorcycle	$ 17	$ 15	$ 13	$ 10	$ 7	$ 5	$ 4	$ 4
(2) vehicles specified in AS 28.10.421(b)(1)	21	99	77	55	39	28	19	16
(3) vehicles specified in AS 28.10.421(b)(3)	121	99	77	55	39	28	19	16
(4) vehicles specified in AS 28.10.421(c)(1)-(4)								
5,000 pounds or less	121	99	77	55	39	28	19	16
5,001-12,000 pounds	198	154	121	99	77	55	33	22
12,001-18,000 pounds	447	392	348	304	260	227	205	194
18,001 pounds or over	546	469	403	348	304	260	216	194
(5) vehicles specified in AS 28.10.421(b)(4)	198	154	121	99	77	55	33	22
(6) vehicles specified in <u>**AS 28.10.421(j) and paying a biennial registration fee**</u> [AS 28.10.421(b)(6)]	17	15	13	10	7	5	4	4
(7) vehicles specified in AS 28.10.421(d)(8)	121	99	77	55	39	28	19	16
(8) vehicles specified in AS 28.10.421(b)(2)	121	99	77	55	39	28	19	16
(9) vehicles eligible for dealer plates under	88							

AS 28.10.421(d)(9)

(10) vehicles specified in AS 28.10.421(j) and paying a one-time registration fee. **51**

* **Sec. 9.** AS 28.10.431(c) is amended to read:

(c) The registration tax shall be levied, collected, enforced**,** and otherwise administered [IN THE SAME MANNER] as provided **by the municipality by ordinance** [FOR THE REGISTRATION FEE IN THIS CHAPTER]. Only one registration tax may be collected with respect to the same motor vehicle in the year for which the tax is paid.

* **Sec. 10.** AS 28.10.431(j) is amended to read:

(j) A municipality that imposes a motor vehicle registration tax as described under (a) of this section may also**, by passage of an appropriate ordinance, (1)** increase the scheduled amount of tax described under (b) or (*l*) of this section**, (2) establish a tax for a motor vehicle that is permanently registered under AS 28.10.155, or (3) establish a tax for a trailer that is permanently registered under AS 28.10.421(j)** [BY PASSAGE OF AN APPROPRIATE ORDINANCE]. A municipality that chooses to change the tax imposed under (b) or (*l*) of this section **or establishes a tax for permanently registered motor vehicles or trailers** shall file a written notice of the change with the department by January 1 of the year preceding the year in which the change in tax is to take effect. [A MUNICIPALITY MAY NOT CHANGE THE AMOUNT OF THE TAX IMPOSED UNDER THIS SECTION MORE THAN ONCE EVERY TWO YEARS. THE DEPARTMENT MAY CHARGE A MUNICIPALITY A ONE-TIME FEE TO COVER THE COST TO THE DEPARTMENT OF IMPLEMENTING A CHANGE UNDER THIS SUBSECTION.]

* **Sec. 11.** AS 28.10.421(b)(6) and 28.10.431(d), 28.10.431(e), and 28.10.431(k) are repealed.

* **Sec. 12.** This Act takes effect January 1, 2015.