

Bulletin

May 30, 2008

D-5-08-02

Bulletin To: All Dealers, Title Services and
Automotive Dismantler & Recyclers

From: Brenda Scheydt, Manager
Business Licensing and Consumer Services

RE: Summary of Year 2008 Enacted Legislation

This is a summary of the bills passed by the General Assembly during the 2008 Session that are of interest to Dealers, Dealer's Associations and other MVA licensed businesses.

HB 221 Vehicle Laws – Motorcycles – Definition

This bill alters the definition of "motorcycle" under the Maryland Vehicle Law.

Motorcycle means a motor vehicle that:

1. Has Motive Power;
2. Has a seat or saddle for the use of the rider;
3. Is designed to travel:
 - a. On not more than three wheels in contact with the ground
 - b. At speeds exceeding 35 miles per hour
4. Is of a type required to comply with all motor vehicle safety standards applicable to motorcycles under federal law.

Effective – Immediately

HB 669 Motor Vehicle Excise Tax – Exemption for Returning Military Members

This bill expands the eligibility for a specified motor vehicle excise tax credit to include a member of the military who returns to Maryland from or on active duty and, within 1 year, applies for titling and registration of a vehicle previously titled and registered in their name in another state.

Effective – October 1, 2008

HB 844 Vehicle Laws – Registration Plates – Motorcycles

This bill alters the dimensions of a motor vehicle registration plate issued for a motorcycle to be 7 inches wide by 4 inches high.

Effective – October 1, 2008

HB 1167 Motor Vehicles – Certificates of Title – Rebuilt Salvage

This bill alters the statements that describe the condition of a salvaged vehicle by expanding the categories of vehicle title brands the Motor Vehicle Administration may apply to a salvage vehicle to include brands for flood and cosmetic damage. It also requires Insurance Companies or their authorized agent to apply for a Salvage Certificate electronically if the vehicle is currently titled in another State.

In addition to the Salvage changes, this bill alters the requirements for issuing a corrected title by establishing a fee. If the vehicle information is changed from the original vehicle information on the Certificate Title, the Administration may charge a fee of \$50.00 for a corrected title.

Effective – October 1, 2008

HB 1425 Vehicle Laws – Gold Star Registration Plates

This bill authorizes the issuance of a Gold Star Registration plate to a surviving spouse, parent, or next of kin of a member of the armed forces whose life was lost in combat and was the recipient of the U.S. Department of Defense Gold Star.

Effective – July 1, 2008

HB 1570 Motor Vehicle Excise Tax – Leased Vehicles – Application of Trade-In Value

This bill was passed as emergency legislation and alters the definition of “total purchase price” for the purpose of the vehicle excise tax.

“Total Purchase Price” means the price of a vehicle agreed on by the buyer and the seller, including any dealer processing charge, less an allowance for trade-in but with no allowance for other nonmonetary consideration.

As to a person trading in a nonleased vehicle to enter into a lease for a period of more than 180 consecutive days, “Total Purchase Price” means the retail value of the vehicle as certified by the dealer, including any dealer processing charge, less an allowance for the trade-in of the nonleased vehicle but with no allowance for other nonmonetary consideration.

This bill applies retroactively to affect the “total purchase price” resulting from a sale or lease transaction for the purposes of computing motor vehicle excise tax imposed on a vehicle leased under a lease agreement entered into on or after January 1, 2008. Therefore, if you processed a lease transaction and the lessee traded-in a non-leased vehicle, you may be entitled for a refund. For additional information regarding a refund, please contact Ms. Neva Rowles, MVA Refund Supervisor at telephone number (410) 768-7346 or by email nrowles@marylandmva.com. Please have the vehicle information available at the time of your call.

Effective – Retroactively January 1, 2008

HB 717 – Automotive Dismantlers and Recyclers and Scrap Processors – Notice of Vehicle Acquisition

This bill requires an Automotive Dismantler and Recycler or Scrap Processor to provide electronic notification to the Administration or the Administration's designee for any vehicle acquired for dismantling or scrapping within 30 days of the acquisition. The requirement for notification does not apply to any vehicle acquired through the Salvage process.

Effective - June 1, 2008

If you have any questions concerning the information contained in this bulletin, please contact Ms. Sarah Moore, Section Manager of Business Licensing at (410) 424-3060 or by email to smoore1@marylandmva.com