

## **Commercial Vehicle Fees; HB 2557**

**HB 2557** replaces vehicle taxes on specified commercial vehicles with fees.

The bill requires an annual commercial vehicle fee starting January 1, 2014, on any truck or truck tractor registered at a gross weight of more than 10,000 pounds and operating as a commercial vehicle.

The bill defines "commercial vehicle" as a self-propelled or towed motor vehicle in commerce used to transport property or passengers when the vehicle has a gross weight or gross combination weight of at least 10,001 pounds, is designed or used to transport 15 or more passengers (including the driver), or is used to transport hazardous materials in a quantity requiring placarding. "Commercial vehicle" does not include a vehicle registered as a farm truck or truck tractor or a vehicle taxed as personal property.

### ***Fees***

The annual commercial vehicle fee will range from \$150 for a vehicle up to 12,000 pounds and seven years old or older, to \$400 for a truck registered at a gross weight of 60,000 pounds or more regardless of age. The fee is in addition to registration fees. Trucks registered with this fee will be eligible for apportioned registration.

### ***Fee Collection and Distribution***

For Kansas-based motor carriers, amounts collected by the county treasurers will be remitted or distributed as are current motor vehicle taxes; for non-Kansas-based motor carriers, amounts collected will be remitted to the State Treasurer and credited to the Special City and County Highway Fund.

The bill adds a fee of \$4 for each vehicle so registered. Of that amount, \$2 will be remitted to a Commercial Vehicle Administrative System Fund, created by the bill and to be used solely for Division of Vehicles functions related to commercial motor vehicles. The remaining \$2 will be retained by the registering county for use by the county treasurer, in the same fund used to receive other registration fees retained by the counties.

### ***Taxation***

The bill removes these commercial vehicles from vehicles which must be valued by the county appraiser and placed on the tax roll and from vehicles assessed and taxed as personal property.

The bill adds a sunset date of January 1, 2014, to requirements for the Director of Property Valuation to annually value and assess the over-the-road motor vehicles and rolling equipment of motor carriers. Sworn statements from motor carriers regarding licenses, the vehicles operated in Kansas, and the miles those vehicles were operated in Kansas will be required on or before May 15 in 2012 and 2013. The bill also places a sunset date of January 1, 2014, on requirements the Director of Property Valuation determine values and assessments on over-the-road motor vehicles based on the proportion of miles driven in Kansas and levy them for taxation.

The bill adds a sunset date of January 1, 2014, to requirements for the valuation of over-the-road motor vehicles at 30 percent of value.

The bill removes outdated language regarding taxation of certain vehicles owned by manufacturers and vehicle dealers.

### ***Registration***

The bill amends the definition of "fleet motor vehicle" for registration purposes.

License plates issued for these commercial vehicles will be permanent and not dated. The bill requires those plates to be distinctive and include the word "commercial."

License plates will not be transferable, but unused registration and commercial vehicle fees could be transferred to another commercial motor vehicle registered at the same or greater weight.

### ***Technical Amendments***

The bill makes various technical amendments, including to update a federal reference.