

REFERENCE TITLE: **ADOT; licenses; registration; VLT; aviation**

State of Arizona  
House of Representatives  
Fifty-fifth Legislature  
Second Regular Session  
2022

# **HB 2481**

Introduced by  
Representatives Carroll: Wilmeth, Senator Pace

## **AN ACT**

AMENDING SECTIONS 28-3158, 28-3171, 28-3225, 28-3480, 28-3482, 28-4841, 28-5801, 28-5805, 28-6392 AND 28-8322, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 25, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 28-8322.01 AND 28-8322.02; AMENDING SECTIONS 28-8324, 28-8325, 28-8329, 28-8335, 28-8337, 28-8338, 28-8339, 28-8340, 28-8341 AND 28-8342, ARIZONA REVISED STATUTES; RELATING TO THE DEPARTMENT OF TRANSPORTATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 28-3158, Arizona Revised Statutes, is amended to  
3 read:

4 28-3158. Driver license or instruction permit application

5 A. A person who applies for an instruction permit or for a driver  
6 license shall use a form furnished by the department.

7 B. An applicant shall pay the fee prescribed by section 28-3002 for  
8 a driver license or for an instruction permit issued under section  
9 28-3154, 28-3155, 28-3156 or 28-3225. ~~For a class A, B or C license  
10 application, payment of the fee required by this section entitles the  
11 applicant to not more than three attempts to pass the written examination  
12 or road test within twelve months from the date of the application.~~ The  
13 department shall refund an application fee pursuant to section 28-373.

14 C. An applicant for an instruction permit or a driver license shall  
15 give the department satisfactory proof of the applicant's full legal name,  
16 date of birth, sex and domicile residence address in this state, if the  
17 applicant has a residence address, and that the applicant's presence in  
18 the United States is authorized under federal law.

19 D. The application for an instruction permit or a driver license  
20 shall state the following:

21 1. A brief description of the applicant and any other identifying  
22 information required by the department.

23 2. Whether the applicant has been licensed, and if so, the type of  
24 license issued, when the license was issued and what state or country  
25 issued the license.

26 3. If the applicant was never licensed, the applicant's last  
27 previous state or country of residence.

28 4. The social security number of the applicant.

29 E. The department shall:

30 1. Verify that a social security number provided by an applicant is  
31 a valid number assigned to that applicant.

32 2. Retain the social security number in its records.

33 F. The social security number provided to the department pursuant  
34 to subsection D of this section for an applicant's driver license or  
35 instruction permit shall not appear on an applicant's driver license or  
36 instruction permit unless the applicant requests that the social security  
37 number appear on the applicant's driver license or instruction permit as  
38 the driver license or instruction permit number. Except as provided in  
39 sections 28-455 and 41-1954, the department shall not release the social  
40 security number to any person unless the applicant requests that the  
41 social security number appear on the applicant's driver license or  
42 instruction permit as the driver license or instruction permit number.  
43 The provisions of this subsection shall be included in each application.

1 G. The department may adopt and implement procedures to deny a  
2 driver license or instruction permit to a person who has been deported.  
3 The department may adopt and implement procedures to reinstate a person's  
4 privilege to apply for a driver license or permit if the person's legal  
5 presence status is restored.

6 H. On request of an applicant, the department shall allow the  
7 applicant to provide on the license or permit a post office box address  
8 that is regularly used by the applicant.

9 I. The department may request an applicant who appears in person  
10 for a license, a duplicate license or reinstatement of a driving privilege  
11 to complete satisfactorily the vision screening prescribed by the  
12 department.

13 J. If a driver license applicant submits satisfactory proof to the  
14 department that the applicant is a veteran, on request of the applicant,  
15 the department shall allow a distinguishing mark to appear on the license  
16 that identifies the person as a veteran.

17 Sec. 2. Section 28-3171, Arizona Revised Statutes, is amended to  
18 read:

19 28-3171. Driver license expiration and renewal; exception;  
20 extension

21 A. Except as provided in subsection B, D or E of this section and  
22 unless medical restrictions require a shorter expiration period, a driver  
23 license **IS EITHER OF THE FOLLOWING:**

- 24 1. ~~is~~ Valid until the applicant's sixty-fifth birthday.  
25 2. ~~is~~ Renewable for successive periods of five years after the  
26 applicant's ~~sixty-fifth~~ **SIXTIETH** birthday.  
27 ~~3. Expires on the applicant's birthday if the license was issued~~  
28 ~~pursuant to subsection B of this section.~~

29 B. Notwithstanding subsection A of this section, ~~—~~  
30 ~~1. The department shall issue to an applicant a driver license that~~  
31 ~~is valid for not more than five years and six months if the applicant~~  
32 ~~applies within six months of the applicant's next birthday and if the~~  
33 ~~applicant is sixty-four years of age or older, unless medical restrictions~~  
34 ~~require a shorter expiration period.~~

35 ~~2.~~ on presentation of satisfactory proof of qualification, the  
36 director may issue a class D, G or M license or permit for a period of up  
37 to five years to:

38 ~~(a)~~ 1. A person who is an out-of-state student or who is the  
39 spouse of an out-of-state student. For the purposes of this **subdivision**  
40 **PARAGRAPH**, "out-of-state student" has the same meaning prescribed in  
41 section 28-2001.

42 ~~(b)~~ 2. An immediate family member of any active duty military  
43 personnel temporarily stationed in this state.

1           ~~(c)~~ 3. Any other person for whom the director determines other  
2 circumstances justify the issuance.

3           C. An applicant shall apply for renewal of a driver license before  
4 the expiration of a current license. The department may require an  
5 examination of a renewal applicant for a class D, G or M license as  
6 required of an original applicant.

7           D. A veteran, as defined in section 41-601, whose driver license  
8 expires is not required to renew the veteran's driver license for six  
9 months ~~from~~ AFTER the date of the veteran's discharge from military  
10 service.

11           E. The department may extend the expiration date of a class D or M  
12 license for a resident if the applicant is not in this state at the time  
13 the license expires and will not be in this state for at least thirty  
14 consecutive days after the expiration of the driver license. On payment  
15 by the applicant of the fee prescribed in section 28-3002, the department  
16 shall issue a certificate of extension that is valid only if accompanied  
17 by the applicant's previous license. An applicant for extension of a  
18 license shall comply with the following:

19           1. The application requirements of section 28-3158.

20           2. The licensing requirements of section 28-3153.

21           3. Medical requirements applicable to all license applicants,  
22 except that the applicant is not required to obtain an eyesight  
23 examination.

24           Sec. 3. Section 28-3225, Arizona Revised Statutes, is amended to  
25 read:

26           28-3225. Commercial learner's permit

27           A. A person who is at least eighteen years of age may apply to the  
28 department for a learner's permit for a class A, B or C license. The  
29 department may issue a learner's permit to the applicant after the  
30 applicant passes all parts of the examination and meets all other  
31 requirements for a class A, B or C license other than the driving test.

32           B. The permit entitles the permittee to drive a motor vehicle  
33 requiring a class A, B or C license on the public highways for ~~six~~ TWELVE  
34 months ~~from~~ AFTER the date of issuance when the following conditions are  
35 met:

36           1. The permittee has the permit in the permittee's immediate  
37 possession.

38           2. The permittee is accompanied by a person who has the same class  
39 or A higher class of license issued by this state or any other qualifying  
40 state and who occupies a seat beside the driver.

41           3. If the permittee is under twenty-one years of age, the permittee  
42 does not operate a commercial motor vehicle interstate.

1           Sec. 4. Section 28-3480, Arizona Revised Statutes, is amended to  
2 read:

3           28-3480. Operation in violation of restriction;  
4                                   classification; civil traffic violation

5           A. Except as provided in subsections B and C of this section, a  
6 person who operates a motor vehicle in violation of a driver license  
7 restriction is guilty of a class 2 misdemeanor.

8           B. If the restriction that is violated is the requirement to wear  
9 corrective lenses while operating a motor vehicle, the person is  
10 responsible for a civil traffic violation.

11           C. If the restriction that is violated is imposed pursuant to  
12 section ~~28-1601~~ or 28-3308, the person is responsible for a civil traffic  
13 violation.

14           D. If the person is cited for a violation of subsection C of this  
15 section and presents evidence to the court that the person's unrestricted  
16 driving privilege has been reinstated, the court may dismiss the citation.

17           Sec. 5. Section 28-3482, Arizona Revised Statutes, is amended to  
18 read:

19           28-3482. Driving on a license suspended for failure to  
20                                   appear; restricted privilege to drive; civil  
21                                   penalty; dismissal

22           A. A person may not drive a motor vehicle on a public highway if  
23 the person's privilege to drive a motor vehicle is suspended pursuant to  
24 section ~~28-1601~~ or 28-3308.

25           B. A person who violates this section is responsible for a civil  
26 traffic violation and is not subject to vehicle ~~towing~~ REMOVAL or ~~impound~~  
27 IMPOUNDMENT pursuant to section 28-3511.

28           C. If a person is cited for a violation of this section and the  
29 person presents evidence to the court that the person's unrestricted  
30 privilege to drive has been reinstated, the court may dismiss the charge  
31 of driving under a suspended license.

32           Sec. 6. Section 28-4841, Arizona Revised Statutes, is amended to  
33 read:

34           28-4841. Abandoned vehicle; notice of intent to transfer  
35                                   vehicle

36           A. On receipt of a report as required by this chapter, the director  
37 shall determine the name and address of the owner and lienholder, if any,  
38 or any other person identified on the department's record by either:

- 39           1. Searching the department records.  
40           2. Asking the vehicle registration agency of another state if the  
41 vehicle is registered in that state.

42           B. On receipt of information from reports pursuant to section  
43 28-4838 or 28-4839 and after determining the name and address of the owner  
44 and lienholder, if any, or any other person identified on the department's  
45 record who may have an interest in the vehicle, the director shall notify

1 all interested persons by mail within five days for a vehicle with a  
2 record in this state or within thirty days for all other vehicles. The  
3 director shall make the notice on a form prescribed by the director. The  
4 notice shall include:

- 5 1. A complete description of the vehicle.
- 6 2. A notice of intent to transfer ownership of the vehicle to the  
7 person in possession of the vehicle if, within thirty days ~~from~~ AFTER the  
8 date placed on the notification by the department, the owner or lienholder  
9 or a person who has an interest in the vehicle does not notify the  
10 department of the owner's, lienholder's or person's interest in the  
11 vehicle or claim the vehicle.
- 12 3. The vehicle identification number.
- 13 4. The place and date the vehicle was found, seized or taken into  
14 possession.
- 15 5. The storage location of the vehicle.
- 16 6. A statement that the owner is liable to the department for the  
17 amounts provided in section 28-4802 if the vehicle was abandoned and  
18 removed pursuant to section 28-4802 and that the cost will be collected if  
19 the owner subsequently registers another vehicle in this state or  
20 subsequently applies for or renews a driver license issued by this state.

21 C. If the records of the department or out of state jurisdiction do  
22 not disclose the name and address of the owner and lienholder, if any, or  
23 any other person identified on the department's record who may have an  
24 interest in the vehicle, or if the notice is returned marked unclaimed or  
25 addressee unknown, the department shall publish the notice of the intent  
26 of the director to transfer ownership of abandoned vehicles pursuant to  
27 this chapter ~~once in a newspaper of general circulation in the county in  
28 which the vehicle was found or seized~~ ON THE DEPARTMENT'S WEBSITE FOR AT  
29 LEAST THIRTY DAYS. The published notice shall include a statement of the  
30 intent of the director to transfer ownership of abandoned vehicles after  
31 ten days of the published notice and that the department will make  
32 available to the public a complete vehicle description of abandoned  
33 vehicles subject to transfer of ownership.

34 D. A person who has filed a report of an abandoned vehicle pursuant  
35 to section 28-4838, 28-4839 or 28-4840 shall notify the director within  
36 twenty-four hours and in the manner prescribed by the director if the  
37 vehicle is released or returned to or redeemed or repossessed by the  
38 lawful owner or lienholder, if any, or any other person who is identified  
39 on the department's record and who may have an interest in the vehicle.

40 Sec. 7. Section 28-5801, Arizona Revised Statutes, is amended to  
41 read:

42 28-5801. Vehicle license tax rate

43 A. At the time of application for and before registration each year  
44 of a vehicle, the registering officer shall collect the vehicle license  
45 tax imposed by article IX, section 11, Constitution of Arizona. On the

1 taxpayer's vehicle license tax bill, the registering officer shall provide  
2 the taxpayer with the following:

3 1. Information showing the amount of the vehicle license tax that  
4 each category of recipient will receive and the amount that is owed by the  
5 taxpayer.

6 2. The amount of vehicle license tax the taxpayer would pay  
7 pursuant to section 28-5805 if the taxpayer's motor vehicle was powered by  
8 alternative fuel.

9 B. Except as provided in subsections C, D and E of this section:

10 1. During the first twelve months of the life of a vehicle as  
11 determined by its initial registration, the vehicle license tax is based  
12 on each ~~one hundred dollars~~ \$100 in value, the value of the vehicle is  
13 sixty ~~per cent~~ PERCENT of the manufacturer's base retail price of the  
14 vehicle and the vehicle license tax rate for each of the recipients is as  
15 follows:

16 (a) The rate for the Arizona highway user revenue fund is ~~one~~  
17 ~~dollar twenty-six cents~~ \$1.26.

18 (b) The rate for the county general fund is ~~sixty-nine cents~~ \$.69.

19 (c) The rate for counties for any purposes related to  
20 transportation, as determined by the board of supervisors, is ~~sixteen~~  
21 ~~cents~~ \$.16.

22 (d) The rate for incorporated cities and towns is ~~sixty-nine cents~~  
23 \$.69.

24 2. During each succeeding ~~twelve month~~ TWELVE-MONTH period, the  
25 vehicle license tax is based on each ~~one hundred dollars~~ \$100 in value,  
26 the value of the vehicle is 16.25 ~~per cent~~ PERCENT less than the value for  
27 the preceding ~~twelve month~~ TWELVE-MONTH period and the vehicle license tax  
28 rate for each of the recipients is as follows:

29 (a) The rate for the Arizona highway user revenue fund is ~~one~~  
30 ~~dollar thirty cents~~ \$1.30.

31 (b) The rate for the county general fund is ~~seventy-one cents~~ \$.71.

32 (c) The rate for counties for the same use as highway user revenue  
33 fund monies is ~~seventeen cents~~ \$.17.

34 (d) The rate for incorporated cities and towns is ~~seventy-one cents~~  
35 \$.71.

36 3. The minimum amount of the vehicle license tax computed under  
37 this section is ~~ten dollars~~ \$10 per year for each vehicle that is subject  
38 to the tax. If the product of all of the rates prescribed in paragraph 1  
39 or 2 of this subsection is less than ~~ten dollars~~ \$10, the vehicle license  
40 tax is ~~ten dollars~~ \$10. The vehicle license tax collected pursuant to  
41 this paragraph shall be distributed to the recipients prescribed in this  
42 subsection based on the percentage of each recipient's rate to the sum of  
43 all of the rates.

1 C. The vehicle license tax is as follows for noncommercial trailers  
2 that are not travel trailers and that are ten thousand pounds or less  
3 gross vehicle weight:

4 1. On initial registration, a ~~one-time~~ ONETIME vehicle license tax  
5 of ~~one hundred five dollars~~ \$105.

6 2. On renewal of registration, a ~~one-time~~ ONETIME vehicle license  
7 tax of ~~seventy dollars~~ \$70.

8 D. The vehicle license tax is as follows for a trailer or  
9 semitrailer that is not a travel trailer and that exceeds ten thousand  
10 pounds gross vehicle weight:

11 1. On initial registration, a ~~one-time~~ ONETIME vehicle license tax  
12 of ~~five hundred fifty-five dollars~~ \$555.

13 2. On renewal of registration or if previously registered in  
14 another state, a ~~one-time~~ ONETIME vehicle license tax of:

15 (a) If the trailer's or semitrailer's model year is less than six  
16 years old, ~~three hundred fifty-five dollars~~ \$355.

17 (b) If the trailer's or semitrailer's model year is at least six  
18 years old, ~~one hundred dollars~~ \$100.

19 E. The vehicle license tax for an all-terrain vehicle or  
20 off-highway vehicle as defined in section 28-1171 is ~~three dollars~~ \$3 if  
21 the all-terrain vehicle or off-highway vehicle meets both of the following  
22 criteria:

23 1. Is designed by the manufacturer primarily for travel over  
24 unimproved terrain.

25 2. Has an unladen weight of ~~eighteen~~ TWO THOUSAND FIVE hundred  
26 pounds or less.

27 F. The vehicle license tax collected pursuant to subsection C, D or  
28 E of this section shall be distributed to the recipients prescribed in  
29 subsection B of this section based on the percentage of each recipient's  
30 rate to the sum of all of the rates.

31 G. For the purposes of ~~subsection~~ SUBSECTIONS C and D of this  
32 section, "travel trailer" has the same meaning prescribed in section  
33 28-2003.

34 Sec. 8. Section 28-5805, Arizona Revised Statutes, is amended to  
35 read:

36 28-5805. Motor vehicle powered by alternative fuel:  
37 classification; vehicle license tax; definitions

38 A. A separate classification of motor vehicles is established for  
39 purposes of taxation pursuant to article IX, section 11, Constitution of  
40 Arizona, that consists of motor vehicles that are powered by alternative  
41 fuel and for which the department issues an alternative fuel vehicle  
42 special plate or sticker pursuant to section 28-2416.



1 B. Notwithstanding section 28-5801, the registering officer shall  
2 collect at the time of application for and before registration of the  
3 motor vehicle that is classified under this section an annual license tax  
4 of \$4 for each \$100 in value. The motor vehicle value is determined as  
5 follows:

6 1. For a motor vehicle that is registered in this state before  
7 January 1, 2022, the value of the motor vehicle is one percent of the  
8 manufacturer's base retail price of the motor vehicle. After the first  
9 twelve months of the life of the motor vehicle as determined by its  
10 initial registration, the value of the motor vehicle is fifteen percent  
11 less for each twelve-month period than the value for the preceding  
12 twelve-month period.

13 2. For a motor vehicle that is initially registered in this state  
14 during a period beginning January 1, 2022 and ending December 31, 2022,  
15 during the first twelve months of the life of the motor vehicle as  
16 determined by its initial registration, the value of the motor vehicle is  
17 twenty percent of the manufacturer's base retail price of the motor  
18 vehicle. During each succeeding twelve-month period, the value of the  
19 motor vehicle is fifteen percent less than the value for the preceding  
20 twelve-month period.

21 C. The registering officer shall collect the vehicle license tax on  
22 a motor vehicle that is powered by alternative fuel and that is ~~purchased~~  
23 **INITIALLY REGISTERED** from and after December 31, 2022 in accordance with  
24 section 28-5801. **THE MINIMUM AMOUNT OF THE VEHICLE LICENSE TAX COLLECTED**  
25 **PURSUANT TO THIS SUBSECTION MUST BE IN ACCORDANCE WITH SECTION 28-5801 AND**  
26 **SHALL BE DISTRIBUTED PURSUANT TO SECTION 28-5808, SUBSECTION B.**

27 D. **EXCEPT AS PROVIDED IN SUBSECTION C OF THIS SECTION,** the minimum  
28 amount of the license tax computed under this section is \$5 per year for  
29 each motor vehicle subject to the tax.

30 E. Except as specifically provided in this section, the vehicle  
31 license tax on a motor vehicle classified under this section is governed  
32 by this article.

33 F. For the purposes of this section:

34 1. "Alternative fuel" has the same meaning prescribed in section  
35 1-215.

36 2. "Motor vehicle" means a vehicle that meets the safety standards  
37 of the national highway traffic safety administration and includes:

38 (a) Neighborhood electric vehicles that meet the standards  
39 prescribed in 49 Code of Federal Regulations section 571.500, except that,  
40 if a vehicle is designed to be operated at speeds of twenty miles per hour  
41 or less, the vehicle is not required to have a seventeen digit vehicle  
42 identification number.

43 (b) Neighborhood electric shuttles.

1           Sec. 9. Section 28-6392, Arizona Revised Statutes, is amended to  
2 read:

3           28-6392. County regional area road fund; distribution;  
4                           repayment of misused monies; investment

5           A. Each month the state treasurer shall distribute the monies in  
6 the county's regional area road fund to the individual county and to the  
7 individual cities and towns in the county in the manner that is determined  
8 by the board of supervisors before the election and that is described in  
9 the publicity pamphlet for the election.

10          B. The jurisdiction receiving the revenues may ~~only~~ use the  
11 revenues **ONLY** for street and highway purposes or for transportation  
12 projects included in the regional transportation plan of the county as  
13 prepared by the county regional planning agency. If the auditor general  
14 reports to the ~~department~~ **STATE TREASURER** after conducting a performance  
15 audit pursuant to section 41-1279.03, subsection A, paragraph 6 that a  
16 jurisdiction has not used revenues as provided in this subsection:

17          1. The ~~department~~ **STATE TREASURER** shall require the jurisdiction to  
18 directly repay the fund the full amount of the misused monies beginning  
19 immediately as a lump sum or in consecutive annual payments of at least  
20 ten percent of the full amount each fiscal year.

21          2. If the jurisdiction fails to timely and fully repay the fund as  
22 required by paragraph 1 of this subsection, the ~~department shall notify~~  
23 ~~the~~ state treasurer ~~who~~ shall withhold the noncomplying jurisdiction's  
24 revenues until the noncomplying jurisdiction presents evidence that is  
25 satisfactory to the auditor general and that shows that the jurisdiction  
26 has spent monies for purposes prescribed in this subsection from another  
27 general revenue source equal to the amount of the revenues diverted from  
28 the uses prescribed in this subsection.

29          C. The state treasurer shall invest and divest monies in the  
30 county's regional area road fund as provided by section 35-313, and monies  
31 earned from investment shall be credited to the fund.

32           Sec. 10. Section 28-8322, Arizona Revised Statutes, is amended to  
33 read:

34           28-8322. Registration; exceptions; definition

35           A. Aircraft based in this state shall be registered with the  
36 department.

37           B. A person or governmental entity shall register an aircraft by  
38 applying to the department on a form provided by the department within  
39 sixty days after the aircraft is brought into this state. A person who  
40 registers an aircraft shall renew the registration annually ~~for each~~  
41 ~~calendar year on or before the last day of February~~ **AS PRESCRIBED BY**  
42 **SECTION 28-8322.01.**

1 C. The department shall not issue a registration certificate for an  
2 aircraft to a person who is subject to the use tax paid pursuant to title  
3 42, chapter 5, article 4 unless the applicable tax has been paid as shown  
4 by a receipt from the collecting officer.

5 D. Subsections A and B OF THIS SECTION do not apply to aircraft  
6 that is ANY OF THE FOLLOWING:

7 1. Operated by an airline company and regularly scheduled for the  
8 primary purpose of carrying persons or property for hire in interstate,  
9 intrastate or international transportation.

10 2. Owned by a nonresident who bases the aircraft in this state for  
11 a period of not more than ninety consecutive days or ninety days in any  
12 one calendar year, if the aircraft is not engaged in intrastate commercial  
13 activity.

14 3. A BALLOON

15 E. Aircraft, except aircraft included in subsection D, paragraph 1  
16 OF THIS SECTION, entering the state to engage in intrastate commercial  
17 operations shall be registered before commencing these operations.

18 F. FOR THE PURPOSES OF THIS SECTION, "BALLOON" MEANS EITHER:

19 1. AN AIRCRAFT THAT IS A FLEXIBLE, NONPOROUS BAG INFLATED WITH A  
20 GAS THAT IS LIGHTER THAN AIR.

21 2. A HOT AIR BALLOON.

22 Sec. 11. Title 28, chapter 25, article 4, Arizona Revised Statutes,  
23 is amended by adding sections 28-8322.01 and 28-8322.02, to read:

24 28-8322.01. Staggered aircraft registration; rules

25 A. THE DIRECTOR SHALL ESTABLISH A SYSTEM OF STAGGERED REGISTRATION  
26 ON A MONTHLY BASIS TO DISTRIBUTE THE WORK OF REGISTERING AIRCRAFT AS  
27 UNIFORMLY AS PRACTICABLE THROUGHOUT THE TWELVE MONTHS OF THE CALENDAR  
28 YEAR.

29 B. ALL AIRCRAFT REGISTRATIONS UNDER THIS ARTICLE EXPIRE PURSUANT TO  
30 SCHEDULES ESTABLISHED BY THE DIRECTOR. THE DIRECTOR MAY SET THE NUMBER OF  
31 RENEWAL PERIODS WITHIN A MONTH.

32 C. IF ADOPTION OF THE STAGGERED SYSTEM RESULTS IN THE EXPIRATION OF  
33 ANY REGISTRATION MORE THAN ONE YEAR AFTER ITS ISSUANCE, THE DEPARTMENT  
34 SHALL CHARGE A PRORATED LICENSE TAX THAT IS ONE-TWELFTH OF THE FULL ANNUAL  
35 AMOUNT FOR EACH FULL MONTH OF THE REGISTRATION CYCLE AND SHALL CHARGE A  
36 FULL REGISTRATION FEE.

37 D. IN ORDER TO INITIATE A SYSTEM OF REGISTERING OR REREGISTERING  
38 AIRCRAFT DURING ANY MONTH OF THE CALENDAR YEAR, THE DIRECTOR MAY REGISTER  
39 OR REREGISTER AN AIRCRAFT FOR MORE OR LESS THAN A TWELVE-MONTH PERIOD, BUT  
40 FOR NOT MORE THAN AN EIGHTEEN-MONTH PERIOD, AND MAY PRORATE THE LICENSE  
41 TAX BY ONE-TWELFTH OF THE FULL ANNUAL AMOUNT FOR EACH FULL MONTH OF THE  
42 REGISTRATION CYCLE AND SHALL CHARGE A FULL REGISTRATION FEE.

43 E. THE DIRECTOR OR A REGISTERING OFFICER MAY ALLOW A PERSON WHO  
44 OWNS TWO OR MORE AIRCRAFT TO REGISTER OR REREGISTER THE AIRCRAFT FOR LESS

1 THAN ONE YEAR SO THAT THE AIRCRAFT'S REGISTRATIONS EXPIRE ON THE SAME  
2 DATE.

3 F. THE DIRECTOR SHALL ADOPT RULES NECESSARY TO IMPLEMENT THIS  
4 SECTION.

5 28-8322.02. Fleet registration requirements

6 A. IN LIEU OF THE STAGGERED AIRCRAFT REGISTRATION REQUIREMENTS  
7 UNDER SECTION 28-8322.01, A PERSON MAY REGISTER A FLEET OF TWO OR MORE  
8 AIRCRAFT ON AN ANNUAL BASIS SO THAT THE REGISTRATIONS FOR ALL AIRCRAFT IN  
9 THE FLEET EXPIRE IN THE SAME MONTH.

10 B. THE DIRECTOR SHALL APPROVE THE REQUEST FOR FLEET REGISTRATION  
11 IF, AT LEAST THIRTY DAYS BEFORE THE REGISTRATION DATE, THE APPLICANT  
12 PROVIDES BOTH OF THE FOLLOWING:

13 1. AN APPLICATION CONTAINING INFORMATION NECESSARY FOR  
14 QUALIFICATION AS A FLEET REGISTRANT.

15 2. A LIST OF ALL AIRCRAFT TO BE INCLUDED IN THE FLEET.

16 C. TO ESTABLISH A NEW FLEET REGISTRATION AND A UNIFORM MONTH OF  
17 EXPIRATION, ALL OF THE FOLLOWING APPLY:

18 1. THE DEPARTMENT SHALL MAINTAIN THE VALUATION FOR AIRCRAFT  
19 DETERMINED PURSUANT TO SECTION 28-8335 AT THE CURRENT VALUATION IF IT IS  
20 NECESSARY TO CALCULATE A PRORATED LICENSE TAX.

21 2. THE LICENSE TAX FOR THAT YEAR ON THE AIRCRAFT SHALL BE PRORATED  
22 BY ONE-TWELFTH OF THE FULL ANNUAL AMOUNT FOR EACH FULL MONTH OF THE  
23 REGISTRATION CYCLE.

24 3. THE AIRCRAFT OWNER SHALL PAY THE FULL REGISTRATION FEE. THE  
25 REGISTRATION MAY NOT BE PRORATED.

26 Sec. 12. Section 28-8324, Arizona Revised Statutes, is amended to  
27 read:

28 28-8324. Registration; license tax

29 A. Aircraft on which a license tax is due under section 28-8335  
30 shall not be registered until the license tax is paid.

31 B. If an aircraft that was not previously subject to registration  
32 in this state becomes subject to registration, ~~after the beginning of the~~  
33 ~~calendar year:~~

34 ~~1. The license tax for that year on the aircraft shall be reduced~~  
35 ~~by one-twelfth for each full month of the calendar year that has expired.~~

36 ~~2. The aircraft owner shall pay the full registration fee. The~~  
37 ~~registration fee shall not be prorated.~~ THE AIRCRAFT SHALL BE REGISTERED  
38 PURSUANT TO SECTION 28-8322.01.

39 Sec. 13. Section 28-8325, Arizona Revised Statutes, is amended to  
40 read:

41 28-8325. Registration fee; certificate

42 ~~A.~~ On payment of a registration fee of ~~five dollars~~ \$5, the license  
43 tax and the penalty, if any, the department shall issue a REGISTRATION  
44 certificate ~~and license decal~~ THAT MUST BE KEPT WITH THE AIRCRAFT AT ALL  
45 TIMES.

1 ~~B. The license decal shall be displayed on the aircraft at all~~  
2 ~~times in the manner prescribed by the department.~~

3 ~~C. On satisfactory proof of the loss or destruction of the license~~  
4 ~~decal, the department shall issue a duplicate of the license decal to the~~  
5 ~~owner on payment of a four dollar fee.~~

6 Sec. 14. Section 28-8329, Arizona Revised Statutes, is amended to  
7 read:

8 28-8329. Late registration; penalty; abatement

9 A. If an aircraft required to be registered under this article is  
10 not registered within sixty days after its entry into this state and  
11 renewed annually ~~on or before the last day of February~~ PURSUANT TO SECTION  
12 28-8322.01, a penalty of ~~twenty-five dollars~~ \$25 for the first month and  
13 ~~five dollars~~ \$5 for each succeeding month of delinquency shall be added to  
14 the registration fee and collected unless an exemption for the aircraft is  
15 established pursuant to this article.

16 B. Registration of the aircraft for the year immediately preceding  
17 the year for which the application for registration is made is prima facie  
18 evidence that the aircraft has been based in this state during the year  
19 for which the application for registration is made.

20 C. The director may abate all or a part of any penalty assessed for  
21 failure to register an aircraft within the time periods prescribed in this  
22 article if the director believes that reasonable cause exists for the  
23 failure to register the aircraft as provided by this article. For the  
24 purposes of this subsection, "reasonable cause" means a reasonable basis  
25 for the person responsible for registration of the aircraft to believe  
26 that the aircraft was exempt from registration requirements.

27 Sec. 15. Section 28-8335, Arizona Revised Statutes, is amended to  
28 read:

29 28-8335. License tax; tax rate

30 A. An annual license tax is imposed on all aircraft based in this  
31 state and required to be registered pursuant to this article, unless an  
32 exemption for the aircraft is established pursuant to this article. The  
33 license tax is payable to the department on initial registration and  
34 annually ~~on or before the last day of February~~ PURSUANT TO SECTION  
35 28-8322.01.

36 B. Except as provided in sections 28-8336, ~~through~~ 28-8337,  
37 28-8338, 28-8339, 28-8340 AND 28-8341, the department shall determine and  
38 assess the license tax prescribed by subsection A of this section on the  
39 basis of one-half ~~per cent~~ PERCENT of the average fair market value of the  
40 particular make, model and year of aircraft. The tax assessed under this  
41 subsection shall ~~not be less than twenty dollars~~ AT LEAST \$20 for a full  
42 year of registration.

1           Sec. 16. Section 28-8337, Arizona Revised Statutes, is amended to  
2 read:

3           28-8337. Stored or repaired aircraft; license tax rate

4           A. The annual license tax for aircraft that is in storage or that  
5 is being repaired is ~~twenty dollars~~ \$20 for each aircraft, except for an  
6 aircraft taxed under section 28-8341.

7           B. To qualify for the tax under this section, the aircraft owner  
8 shall annually file a sworn affidavit on a form provided by the department  
9 with the department not later than the last day of ~~February~~ THE  
10 REGISTRATION CYCLE or within sixty days after the aircraft is placed in  
11 storage or under repair on entry into this state.

12           C. The owner of an aircraft that is subject to the tax under this  
13 section shall notify the department within ten days ~~of~~ AFTER the date the  
14 aircraft is returned to use and shall pay the appropriate license tax, if  
15 any, prorated on the basis of one-twelfth for each month remaining in the  
16 ~~calendar year~~ REGISTRATION CYCLE beginning with the first month the  
17 aircraft is restored to use.

18           Sec. 17. Section 28-8338, Arizona Revised Statutes, is amended to  
19 read:

20           28-8338. Salvage aircraft; license tax rate; definition

21           A. The annual license tax for a salvage aircraft that is in storage  
22 or that is being restored is ~~five dollars~~ \$5 for each aircraft, and the  
23 tax shall not be prorated.

24           B. To qualify for the tax under this section, the salvage aircraft  
25 owner shall annually file a sworn affidavit on a form provided by the  
26 department with the department not later than the last day of ~~February~~ THE  
27 REGISTRATION CYCLE or within sixty days after the aircraft is placed in  
28 storage or under restoration on entry into this state.

29           C. The salvage aircraft owner who is subject to the tax under this  
30 section shall notify the department within ten days ~~of~~ AFTER the date the  
31 aircraft is returned to use and shall pay the appropriate license tax, if  
32 any, prorated on the basis of one-twelfth for each month remaining in the  
33 ~~calendar year~~ REGISTRATION CYCLE beginning with the first month the  
34 aircraft is returned to use.

35           D. For the purposes of this section, "salvage aircraft" means an  
36 aircraft that is being restored and that is not meant to be flown.

37           Sec. 18. Section 28-8339, Arizona Revised Statutes, is amended to  
38 read:

39           28-8339. Special aircraft; license tax rate; definitions

40           A. The annual license tax for an antique AIRCRAFT, classic  
41 AIRCRAFT, warbird AIRCRAFT, glider AIRCRAFT, experimental, AIRCRAFT OR  
42 homebuilt ~~or balloon~~ aircraft is ~~twenty dollars~~ \$20 for each aircraft.

43           B. To qualify for the tax under this section, the aircraft owner  
44 shall annually apply on a form provided by the department to the

1 department not later than the last day of ~~February~~ THE REGISTRATION CYCLE  
2 or within sixty days after entry into this state.

3 C. For the purposes of this section:

4 1. "Antique aircraft" means an aircraft that has a year of original  
5 manufacture and federal certification that is fifty years old or older.

6 ~~2. "Balloon" means either:~~

7 ~~(a) An aircraft that is a flexible, nonporous bag inflated with a~~  
8 ~~gas lighter than air.~~

9 ~~(b) A hot air balloon.~~

10 ~~3.~~ 2. "Classic aircraft" means an aircraft that has a year of  
11 original manufacture and federal certification that is at least forty  
12 years old but not more than forty-nine years old.

13 ~~4.~~ 3. "Experimental aircraft" means an aircraft that is designated  
14 as experimental on its federal aviation administration airworthiness  
15 certificate.

16 ~~5.~~ 4. "Glider aircraft" means a light, engineless aircraft that is  
17 designed to glide after being towed aloft or launched from a catapult.

18 ~~6.~~ 5. "Homebuilt aircraft" means an aircraft that is constructed  
19 primarily by an individual for the individual's personal use, excluding an  
20 aircraft that is constructed primarily by a for profit aircraft  
21 manufacturing business.

22 ~~7.~~ 6. "Warbird aircraft" means an aircraft that is built before  
23 January 1, 1948 expressly for the purpose of military service.

24 Sec. 19. Section 28-8340, Arizona Revised Statutes, is amended to  
25 read:

26 28-8340. Manufacturer's aircraft; definition

27 A. The annual license tax for a manufacturer's aircraft is ~~twenty~~  
28 ~~dollars~~ \$20 for each aircraft.

29 B. To qualify for the tax under this section, the manufacturer's  
30 aircraft owner shall annually file a sworn affidavit on a form provided by  
31 the department with the department not later than the last day of ~~February~~  
32 THE REGISTRATION CYCLE or within sixty days after entry into this state.

33 C. For the purposes of this section, "manufacturer's aircraft"  
34 means an aircraft that is both:

35 1. Manufactured under a production certificate issued by the  
36 federal aviation administration under federal air regulations part 21.

37 2. Owned by the manufacturer for purposes of completing manufacture  
38 or sale.

39 Sec. 20. Section 28-8341, Arizona Revised Statutes, is amended to  
40 read:

41 28-8341. Maintenance aircraft; license tax rate; definition

42 A. The annual license tax for a maintenance aircraft owned by a  
43 nonresident is ~~twenty dollars~~ \$20 for each aircraft, unless an exemption  
44 is established pursuant to this article. The tax shall not be prorated.

1           B. To qualify for the tax under this section, the nonresident owner  
2 or representative of the owner shall annually file a sworn affidavit on a  
3 form provided by the department with the department not later than the  
4 last day of ~~February~~ THE REGISTRATION CYCLE or within ninety days after  
5 the maintenance aircraft enters this state.

6           C. For the purposes of this section, "maintenance aircraft" means  
7 an aircraft that is not based in this state but that is present in this  
8 state solely for the purpose of maintenance, repair or servicing at a  
9 federal certified maintenance facility.

10          Sec. 21. Section 28-8342, Arizona Revised Statutes, is amended to  
11 read:

12           28-8342. Fair market value determination

13          For the ~~calendar year~~ REGISTRATION CYCLE, the department shall  
14 annually determine the fair market value required by sections 28-8335 and  
15 28-8336 as established by the dealer price guides or other recognized  
16 reliable source of information.