

REFERENCE TITLE: vehicle sale price; VLT

State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

SB 1148

Introduced by
Senator Ugenti-Rita

AN ACT

AMENDING SECTIONS 28-5801, 28-5804, 28-5805 AND 28-5806, ARIZONA REVISED
STATUTES; RELATING TO VEHICLE LICENSE TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 28-5801, Arizona Revised Statutes, is amended to
3 read:

4 28-5801. Vehicle license tax rate

5 A. At the time of application for and before registration each year
6 of a vehicle, the registering officer shall collect the vehicle license
7 tax imposed by article IX, section 11, Constitution of Arizona. On the
8 taxpayer's vehicle license tax bill, the registering officer shall provide
9 the taxpayer with the following:

10 1. Information showing the amount of the vehicle license tax that
11 each category of recipient will receive and the amount that is owed by the
12 taxpayer.

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

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

17 1. During the first twelve months of the life of a vehicle as
18 determined by its initial registration, the vehicle license tax is based
19 on each ~~one hundred dollars~~ \$100 in value, the value of the vehicle is
20 sixty ~~per cent~~ PERCENT of the ~~manufacturer's base retail~~ ACTUAL SALE price
21 of the vehicle and the vehicle license tax rate for each of the recipients
22 is as follows:

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

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

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

29 (d) The rate for incorporated cities and towns is ~~sixty-nine cents~~
30 \$.69.

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

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

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

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

41 (d) The rate for incorporated cities and towns is ~~seventy-one cents~~
42 \$.71.

43 3. The minimum amount of the vehicle license tax computed under
44 this section is ~~ten dollars~~ \$10 per year for each vehicle that is subject
45 to the tax. If the product of all of the rates prescribed in paragraph 1

1 or 2 of this subsection is less than ~~ten dollars~~ \$10, the vehicle license
2 tax is ~~ten dollars~~ \$10. The vehicle license tax collected pursuant to
3 this paragraph shall be distributed to the recipients prescribed in this
4 subsection based on the percentage of each recipient's rate to the sum of
5 all of the rates.

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

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

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

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

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

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

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

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

24 E. The vehicle license tax for an all-terrain vehicle or
25 off-highway vehicle as defined in section 28-1171 is three dollars if the
26 all-terrain vehicle or off-highway vehicle meets both of the following
27 criteria:

28 1. Is designed by the manufacturer primarily for travel over
29 unimproved terrain.

30 2. Has an unladen weight of eighteen hundred pounds or less.

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

35 G. For the purposes of ~~subsection~~ SUBSECTIONS C and D of this
36 section, "travel trailer" has the same meaning prescribed in section
37 28-2003.

38 Sec. 2. Section 28-5804, Arizona Revised Statutes, is amended to
39 read:

40 28-5804. Privately owned motor vehicle used as school bus;
41 classification; vehicle license tax

42 A. A separate classification of motor vehicles is established for
43 purposes of taxation pursuant to article IX, section 11, Constitution of
44 Arizona, that consists of privately owned motor vehicles that are
45 exclusively operated as school buses.

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 classified under this section an annual vehicle license tax
4 of ~~four dollars~~ \$4 for each ~~one hundred dollars~~ \$100 in value. During the
5 first twelve months of the life of the vehicle as determined by its
6 initial registration, the value is one ~~per cent~~ PERCENT of the
7 ~~manufacturer's base retail~~ ACTUAL SALE price of the vehicle. During each
8 succeeding ~~twelve month~~ TWELVE-MONTH period the value of the vehicle is
9 fifteen ~~per cent~~ PERCENT less than the value of the preceding ~~twelve month~~
10 TWELVE-MONTH period.

11 C. The minimum amount of the license tax computed under this
12 section is ~~five dollars~~ \$5 per year for each vehicle subject to the tax.

13 D. Except as specifically provided in this section, the vehicle
14 license tax on a vehicle classified under this section is governed by this
15 article.

16 E. If a school bus is temporarily operated for purposes other than
17 those prescribed by section 28-101, the registering officer shall:

18 1. Assess and collect monthly a vehicle license tax equal to
19 one-tenth of the annual vehicle license tax provided in section 28-5801
20 for each calendar month that the motor vehicle is so operated in this
21 state.

22 2. Not apportion the vehicle license tax for any fraction of a
23 calendar month.

24 Sec. 3. Section 28-5805, Arizona Revised Statutes, is amended to
25 read:

26 28-5805. Motor vehicle powered by alternative fuel;
27 classification; vehicle license tax; definitions

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

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

38 1. For a motor vehicle that is registered in this state before
39 January 1, 2022, the value of the motor vehicle is one percent of the
40 ~~manufacturer's base retail~~ ACTUAL SALE price of the motor vehicle. After
41 the first twelve months of the life of the motor vehicle as determined by
42 its initial registration, the value of the motor vehicle is fifteen
43 percent less for each twelve-month period than the value for the preceding
44 twelve-month period.

1 2. For a motor vehicle that is initially registered in this state
2 during a period beginning January 1, 2022 and ending December 31, 2022,
3 during the first twelve months of the life of the motor vehicle as
4 determined by its initial registration, the value of the motor vehicle is
5 twenty percent of the ~~manufacturer's base retail~~ ACTUAL SALE price of the
6 motor vehicle. During each succeeding twelve-month period, the value of
7 the motor vehicle is fifteen percent less than the value for the preceding
8 twelve-month period.

9 C. The registering officer shall collect the vehicle license tax on
10 a motor vehicle that is powered by alternative fuel and that is purchased
11 from and after December 31, 2022 in accordance with section 28-5801.

12 D. The minimum amount of the license tax computed under this
13 section is \$5 per year for each motor vehicle subject to the tax.

14 E. Except as specifically provided in this section, the vehicle
15 license tax on a motor vehicle classified under this section is governed
16 by this article.

17 F. For the purposes of this section:

18 1. "Alternative fuel" has the same meaning prescribed in section
19 1-215.

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

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

27 (b) Neighborhood electric shuttles.

28 Sec. 4. Section 28-5806, Arizona Revised Statutes, is amended to
29 read:

30 28-5806. Privately owned motor vehicle used for ambulance or
31 firefighting services; classification; vehicle
32 license tax; definition

33 A. A separate classification of motor vehicles is established for
34 purposes of taxation pursuant to article IX, section 11, Constitution of
35 Arizona, that consists of privately owned motor vehicles that are used
36 solely for the purpose of providing ambulance or ~~fire fighting~~
37 **FIREFIGHTING** services.

38 B. Notwithstanding section 28-5801, at the time of application for
39 and before registration of the motor vehicle classified pursuant to
40 subsection A of this section the registering officer shall collect an
41 annual license tax at the rate of ~~four dollars~~ \$4 for each ~~one hundred~~
42 ~~dollars~~ \$100 in value. During the first twelve months of the life of the
43 vehicle as determined by its initial registration, the value is one ~~per~~
44 ~~cent~~ **PERCENT** of the ~~manufacturer's base retail~~ ACTUAL SALE price of the
45 vehicle. During each succeeding ~~twelve month~~ **TWELVE-MONTH** period the

1 value of the vehicle is fifteen ~~per cent~~ PERCENT less than the value of
2 the preceding ~~twelve month~~ TWELVE-MONTH period.

3 C. The minimum amount of the license tax computed under this
4 section is ~~five dollars~~ \$5 per year for each vehicle subject to the tax.

5 D. Except as specifically provided in this section, the vehicle
6 license tax on vehicles classified pursuant to subsection A of this
7 section is governed by this article.

8 E. If a vehicle is temporarily operated for purposes other than
9 providing ambulance or ~~fire fighting~~ FIREFIGHTING services, the
10 registering officer shall:

11 1. Assess and collect monthly a vehicle license tax equal to
12 one-tenth of the annual vehicle license tax provided for by section
13 28-5801 for each calendar month that the motor vehicle is so operated in
14 this state.

15 2. Not apportion the vehicle license tax for any fraction of a
16 calendar month.

17 F. For THE purposes of this section, "ambulance" means a vehicle
18 for which a certificate of registration has been issued pursuant to title
19 36, chapter 21.1.