

2016 Regular Session

HOUSE BILL NO. 236

BY REPRESENTATIVE THIBAUT

MOTOR VEHICLES: Provides grace period in order to pay certain taxes and fees related to motor vehicles for persons separating from active duty military service

1 AN ACT

2 To amend and reenact R.S. 47:303(B)(1)(b) and to enact R.S. 47:303(B)(3)(b)(vi) and 502.3,
3 relative to sales and use taxes for motor vehicles owned by or registered to military
4 service persons or their spouses; to provide additional time to pay sales and use taxes
5 on motor vehicles owned by or registered to military service persons or spouses
6 following separation from active duty from any branch of the armed forces of the
7 United States; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:303(B)(1)(b) is hereby amended and reenacted and R.S.
10 47:303(B)(3)(b)(vi) and 502.3 are hereby enacted to read as follows:

11 §303. Collection

12 * * *

13 B. Collection of tax on vehicles. The tax imposed by R.S. 47:302(A) on the
14 sale or use of any motor vehicle, automobile, motorcycle, truck, truck-tractor, trailer,
15 semi-trailer, motor bus, house trailer, or any other vehicle subject to the vehicle
16 registration license tax shall be collected as provided in this Subsection.

17 (1) The tax levied by R.S. 47:302(A) on any such vehicle shall be paid to the
18 vehicle commissioner as the agent of the collector of revenue at the time of
19 application for a certificate of title or vehicle registration license and such tax shall
20 be administered and collected by the vehicle commissioner in compliance with rules

1 and regulations issued by the collector of revenue and in compliance with the law as
 2 construed by the collector of revenue. No certificate of title or vehicle registration
 3 license shall be issued until this tax has been paid. The collector of revenue shall be
 4 the only proper party to defend or to institute any legal action involving the tax
 5 imposed by R.S. 47:302(A) on the sale or use of any motor vehicle, automobile,
 6 motorcycle, truck, truck-tractor, trailer, semi-trailer, motor bus, house trailer or any
 7 other vehicle subject to the vehicle registration license tax. (R.S. 47:451 et seq.).

8 * * *

9 (b) The tax levied by R.S. 47:302(A)(2) on the use of any such vehicle in this
 10 state shall be due at the time first registration in this state is required by the Vehicle
 11 Registration License Tax Law (R.S. 47:451 et seq.): subject to the following:

12 (i) ~~However, the~~ The vehicle commissioner shall waive penalties or interest
 13 on use tax on timely filed applications for registration rejected due to office of motor
 14 vehicles error.

15 (ii) A person or their spouse shall have ninety days following either's
 16 separation from active duty from any branch of the armed forces of the United States
 17 to remit the tax levied by R.S. 47:302(A)(2) on any vehicle registered in a foreign
 18 jurisdiction and required to be registered in this state. Penalties and interest shall not
 19 accrue during this ninety-day time period. However, a person or their spouse shall
 20 remit sales or use taxes imposed pursuant to R.S. 47:302(A)(2) on a vehicle required
 21 to be registered in this state should the vehicle registration and license plates issued
 22 by a foreign jurisdiction expire prior to or during the ninety days following either's
 23 separation from active duty of any branch of the armed forces of the United States.

24 * * *

25 (3)

26 * * *

27 (b)

28 * * *

1 (vi) A person or their spouse shall have ninety days following either's
2 separation from active duty from any branch of the armed forces of the United States
3 to remit the sales and use tax imposed by a political subdivision on any vehicle
4 registered in a foreign jurisdiction and required to be registered in this state.
5 Penalties and interest shall not accrue during this ninety-day time period. However,
6 a person or their spouse shall remit sales or use taxes imposed by a political
7 subdivision on a vehicle required to be registered in this state should the vehicle
8 registration and license plates issued by a foreign jurisdiction expire prior to or
9 during the ninety days following either's separation from active duty of any branch
10 of the armed forces of the United States.

* * *

12 §502.3. Delayed registration; military personnel separation from active duty
13 A. A person or their spouse may operate a vehicle in this state without
14 securing Louisiana registration or paying sales or use tax imposed pursuant to R.S.
15 47:302(A)(2) or by a political subdivision for up to ninety days following either's
16 separation from active duty from any branch of the armed forces of the United States
17 should the following requirements be met:

- 18 (1) The license plates displayed on the vehicle are valid and current plates
19 issued by a foreign jurisdiction.
- 20 (2) The vehicle registration and license plates are current and issued to the
21 person who separated from active duty of any branch of the armed forces of the
22 United States or the spouse of a person who separated from active duty of any branch
23 of the armed forces of the United States.
- 24 (3) The owner or driver of the vehicle has in effect one of the forms of
25 financial responsibility specified in R.S. 32:861.

26 B. A person or their spouse shall secure a Louisiana registration and remit
27 sales or use taxes imposed pursuant to R.S. 47:302(A)(2) or by a political
28 subdivision for a vehicle should the vehicle registration and license plates issued by

1 a foreign jurisdiction expire prior to or during the ninety days following either's
2 separation from active duty of any branch of the armed forces of the United States.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 236 Original

2016 Regular Session

Thibaut

Abstract: Provides additional time to pay sales and use taxes on motor vehicles owned by or registered to military service persons or spouses following separation from active duty from any branch of the armed forces of the U.S.

Present law provides that every owner of a motor vehicle, trailer, or semi-trailer, or other vehicle intended to be operated upon the public highways in this state must, before operating the same, obtain the registration thereof and pay the registration or license taxes due.

Present law requires that the sales and use tax levied by the state on any vehicle be paid at the time of application for a certificate of title or vehicle registration license.

Proposed law retains present law and provides that a person or their spouse shall have 90 days following either's separation from active duty from any branch of the armed forces of the U.S. to remit the state sales and use tax on any vehicle registered in a foreign jurisdiction and required to be registered in this state. Proposed law provides that no penalties or interest can accrue during this time.

Present law provides that no exemption from the state sales and use tax granted after a certain time is applicable to sales and use taxes levied by any local governmental subdivision or school board unless the state exemption specifically provides that it applies to such local governmental subdivision or school board sales and use tax.

Proposed law retains present law.

Present law provides that the secretary of the Dept. of Public Safety and Corrections and the governing body of any political subdivision that has imposed a tax on the sale or use of motor vehicles are required to enter into an agreement by which the secretary must collect such tax on behalf of the political subdivision. Present law further provides that no certificate of title or vehicle registration license can be issued until such local tax is paid. Proposed law provides that no penalties or interest can accrue during this time.

Proposed law retains present law and provides that a person or their spouse has 90 days following either's separation from active duty from any branch of the armed forces of the U.S. to remit the sales and use tax imposed by a political subdivision on any vehicle registered in a foreign jurisdiction and required to be registered in this state. Proposed law provides that no penalties or interest shall accrue during this time.

Proposed law retains present law and provides that a person or their spouse may operate a vehicle in this state without securing La. registration or paying state and political subdivision sales or use taxes for up to 90 days following either's separation from active duty from any branch of the armed forces of the U.S. should the following requirements be met:

- (1) The license plates displayed on the vehicle are valid plates issued by a foreign jurisdiction.

- (2) The vehicle registration and license plates are current and issued to the person who separated from active duty of any branch of the armed forces of the U.S. or the spouse of a person who separated from active duty of any branch of the armed forces of the U.S.
- (3) The owner or driver of the vehicle has in effect one of the forms of financial responsibility specified in present law.

Proposed law provides that a person or their spouse shall secure a La. registration and pay state and political subdivision sales or use taxes on a motor vehicle should the vehicle registration and license plates issued by a foreign jurisdiction expire prior to or during the 90 days following either's separation from active duty of any branch of the armed forces of the U.S.

(Amends R.S. 47:303(B)(1)(b); Adds R.S. 47:303(B)(3)(b)(vi) and 502.3)