

Transportation: Woods, Chair; De Groot and Renaud.

Amended (3724) by De Groot 4/10/85

SENATE FILE 387

BY COMMITTEE ON TRANSPORTATION

Formerly SSB 273
Approved 2/6/85 (p. 643)

FILED MAR 6 1985

Passed Senate, Date 3-12-85 (p. 732) Passed House, Date 4-15-85 (p. 1551)

Vote: Ayes 48 Nays 0 Vote: Ayes 94 Nays 3

Approved May 8, 1985

Proposed Senate 4-23-85 (p. 1546)
45-1

A BILL FOR

1 An Act allowing a person to whom ownership of a vehicle has
 2 been transferred by a spouse, parent or child of the
 3 person, or by operation of law upon inheritance, devise
 4 or bequest, from the person's spouse, parent or child,
 5 or by a former spouse pursuant to a decree of disso-
 6 lution of marriage, a credit to be applied to the reg-
 7 istration fee of the transferred vehicle and requiring
 8 rules to be adopted to provide for the assignment of
 9 registration plates to the person.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 321.34, subsection 1, Code 1985, is
2 amended to read as follows:

3 1. PLATES ISSUED. The county treasurer upon receiving
4 application, accompanied by proper fee, for registration of a
5 vehicle shall issue to the owner one registration plate for a
6 motorcycle, motorized bicycle, truck tractor, trailer, or
7 semitrailer and two registration plates for every other motor
8 vehicle. The registration plates, including special
9 registration plates, shall be assigned to the owner of a
10 vehicle. ~~Whenever~~ When the owner of a registered vehicle
11 transfers or assigns ownership of such the vehicle to another
12 person, the owner shall remove the registration plates from
13 the vehicle. The owner shall forward the plates to the county
14 treasurer where the vehicle is registered or the owner may
15 have the plates assigned to another vehicle within thirty days
16 after transfer, upon payment of the fees required by law. The
17 owner shall immediately affix registration plates retained by
18 the owner to another vehicle owned or acquired by ~~such person~~
19 the owner, providing the owner complies with section 321.46.
20 The department shall adopt rules providing for the assignment
21 of registration plates to the transferee of a vehicle for
22 which a credit is allowed under section 321.46, subsection 6.

23 Sec. 2. Section 321.46, Code 1985, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. 6. An applicant for a new registration
26 for a vehicle transferred to the applicant by a spouse, parent
27 or child of the applicant, or by operation of law upon
28 inheritance, devise or bequest, from the applicant's spouse,
29 parent or child, or by a former spouse pursuant to a decree of
30 dissolution of marriage, is entitled to a credit to be applied
31 to the registration fee for the transferred vehicle. A credit
32 shall not be allowed unless the vehicle to which the credit
33 applies is registered within the time specified under
34 subsection 1. The credit shall be computed on the basis of
35 the number of unexpired months remaining in the registration

1 year of the former owner computed from the date the vehicle
2 was transferred, computed to the nearest whole dollar. The
3 credit shall not exceed the amount of the registration fee for
4 the transferred vehicle. When the amount of the credit is
5 computed to be an amount of less than five dollars, the credit
6 shall be disallowed. The credit shall not be sold,
7 transferred, or assigned to any other person.

8 EXPLANATION

9 This bill allows a person to whom ownership of a vehicle
10 has been transferred by a spouse, parent or child of the
11 person, or by operation of law upon inheritance, devise or
12 bequest, from the person's spouse, parent or child, or by a
13 former spouse pursuant to a decree of dissolution of marriage,
14 to receive a credit to be applied to the registration fee for
15 the transferred vehicle. The credit is computed on the basis
16 of the number of unexpired months remaining in the
17 registration year computed from the date the vehicle was
18 transferred. The credit may not exceed the amount of the
19 registration fee for the transferred vehicle and is disallowed
20 if the amount of the credit is less than five dollars.

21 The bill also requires the state department of
22 transportation to adopt rules providing for the transfer of
23 the registration plates to the transferee when a credit is
24 allowed.

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STATE OF IOWA
FISCAL NOTE

LSB No. 2576S
Staff ID. CEN

In compliance with a written request received March 1, 1985, a fiscal note for SENATE FILE 387 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 387 allows for a registration credit to an individual to whom ownership of a vehicle has been transferred by a spouse, parent, or child of the individual; or by operation of law upon inheritance, devise, or bequest; or by a former spouse pursuant to a decree of dissolution of marriage. The credit is computed on the basis of the number of unexpired months remaining in the registration year computed from the date the vehicle was transferred.

ASSUMPTIONS:

- 1) The number of annual transfers remains constant.
- 2) The average credit is \$20.

FISCAL EFFECT: The estimated loss of revenue for FY86 would be \$600,000.

<u>Annual # of transfers</u>		<u>Avg. credit</u>		<u>Est. loss of revenue</u>
30,000	X	\$20	=	\$600,000

Source: Office of Vehicle Registration, IDOT

(LSB 2576S, CEN)

March 8, 1985

Dennis C. Prouty, Director
Legislative Fiscal Bureau

SENATE FILE 387

H-3724

1 Amend Senate File 387 as passed by the Senate as
2 follows:

3 1. Page 1, by inserting after line 22 the
4 following:

5 "Sec. _____. Section 321.40, Code 1985, is amended
6 by adding the following new unnumbered paragraph
7 immediately following unnumbered paragraph 1:
8 NEW UNNUMBERED PARAGRAPH. On or before the
9 fifteenth day of the month of expiration of a
10 vehicle's registration the county treasurer shall send
11 a statement by mail of fees due to the appropriate
12 owner of record. The statement shall be mailed to the
13 most current address of record, showing information
14 sufficient to identify the vehicle and a listing of
15 the various fees as appropriate. Failure to receive a
16 statement shall have no effect upon the accrual of
17 penalty at the appropriate date. This paragraph
18 applies to counties with a population of one hundred
19 thousand or more. This paragraph applies to any
20 county with a population of less than one hundred
21 thousand at the discretion of the county treasurer."

22 2. Page 2, by inserting after line 7 the
23 following:

24 "Sec. _____. Section 321.126, unnumbered paragraph
25 1, Code 1985, is amended to read as follows:

26 Refunds of current unexpired vehicle registration
27 fees ~~paid-for-the-registration-of-motor-vehicles~~ shall
28 be allowed in accordance with this section, except
29 that no refund shall be allowed and paid if the unused
30 portion of the fee is less than five dollars.

31 Subsections 1 and 2 ~~shall~~ do not apply to motor
32 vehicles registered by the county treasurer. The
33 refunds shall be made as follows:

34 Sec. _____. Section 321.126, Code 1985, is amended
35 by adding the following new subsection:

36 NEW SUBSECTION. If a vehicle is sold or junked
37 within thirty days after a replacement vehicle has
38 been purchased and the title and registration for the
39 replacement vehicle issued, the owner in whose name
40 the vehicle was registered may within thirty days
41 after the date of sale or junking make claim to the
42 department for a refund of the sold or junked
43 vehicle's registration fee subject to the following
44 limitations:

45 a. The refund shall be computed on the basis of
46 the number of unexpired months remaining in the
47 registration year at the time the vehicle was sold or
48 junked and shall be rounded to the nearest whole
49 dollar. Section 321.127, subsection 1, does not

50 apply.

H-3724
Page Two

1 b. The refund shall not exceed the amount of the
2 registration fee for the replacement vehicle and shall
3 only be allowed if the replacement vehicle was
4 registered within the time specified for registration
5 under section 321.46, subsection 1.

6 c. The refund shall only be allowed if the owner
7 provides the credit copy of the registration receipt
8 for the vehicle sold or junked and a photocopy of the
9 registration receipt for the replacement vehicle.

10 d. This subsection does not apply to vehicles
11 registered under chapter 326.

12 Sec. _____. Section 321.127, Code 1985, is amended
13 to read as follows:

14 321.127 AMOUNT PAYMENT OF REFUND.

15 1. The refund of the registration fee for motor
16 vehicles shall be computed on the basis of ~~one-fourth~~
17 ~~of-the-annual-registration-fee-multiplied-by~~ the
18 ~~number of remaining-quarters-of unexpired months~~
19 remaining in the registration year from date of filing
20 of the claim for refund with the county treasurer,
21 computed to the nearest quarter dollar.

22 2. The department, unless reasonable grounds exist
23 for delay, shall make refund on or before the
24 fifteenth last day of the quarter month following the
25 quarter month in which the claim is filed with the
26 department.

27 3. For trailers or semitrailers issued a multiyear
28 registration plate a refund shall be paid equal to the
29 annual fee for twelve months times the remaining
30 number of complete registration years.

31 4. Refunds for motor vehicles registered for
32 prorated under chapter 326 shall be paid on the basis
33 of unexpired complete calendar months remaining in the
34 registration year from the date the claim is filed
35 with the department."

36 3. Title page, line 7, by striking the words
37 "vehicle and" and inserting the word "vehicle,".

38 4. Title page, line 9, by inserting after the
39 word "person" the words ", requiring certain counties
40 to send a statement relating to due registration fees
41 to owners of motor vehicles and allowing a refund of
42 unexpired registration fees for certain vehicles".

43 5. Renumber sections as necessary.

H-3724 FILED APRIL 10, 1985 BY COMMITTEE ON TRANSPORTATION

Adopted 4/15/85 (p. 1550)

SENATE FILE 387
 AMENDMENT H-3724
 FISCAL NOTE

REQUESTED BY REPRESENTATIVE WOODS

In compliance with a written request received April 11, 1985, a fiscal note for SENATE FILE AMENDED H-3724 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 387 allows for a registration credit to an individual to whom ownership of a vehicle has been transferred by a spouse, parent, or child of the individual; or by operation of law upon inheritance, devise, or bequest; or by a former spouse pursuant to a decree of dissolution of marriage. The credit is computed on the basis of the number of unexpired months remaining in the registration year computed from the date the vehicle was transferred. A registration refund shall be issued for a vehicle which is sold or junked within 30 days after a replacement vehicle is purchased. The refund is computed on the basis of unexpired months remaining in the registration of the vehicle sold or junked.

ASSUMPTIONS:

- 1) The number of annual transfers remains constant for FY 1986.
- 2) The average credit and refund are \$20.
- 3) The number of junked vehicles remains constant for FY 1986.
- 4) The number of replacement vehicles, within 30 day limit, remains constant for FY 1986.

FISCAL EFFECT: The annual reduction of revenue to the Road Use Tax Fund is as follows:

A) Revenue Decrease due to Transfer Credits

30,000 (# of transfers)	X	\$20 (avg. transfer)	=	\$ 600,000
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B) Revenue Decrease due to Refunds for Vehicles Sold/Junked

75,000 (# of refunds)	X	\$20 (avg. refund)	=	1,500,000
State administration costs				300,000
County Administration costs				<u>39,000</u>

C) TOTAL				\$2,439,000
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RUTF RECEIPTS WOULD BE REDUCED AS FOLLOWS:

City	439,020
County	902,430
State	<u>1,097,550</u>
	\$2,439,000

Source: Office of Vehicle Registration, IDOT
 FILED APRIL 15, 1985

(LSB 2576S.3, CEN)

BY DENNIS PROUTY, FISCAL DIRECTOR

S-3779

SENATE FILE 387
HOUSE AMENDMENT

1 Amend Senate File 387 as passed by the Senate as
2 follows:

3 1. Page 1, by inserting after line 22 the
4 following:

5 "Sec. ____ . Section 321.40, Code 1985, is amended
6 by adding the following new unnumbered paragraph
7 immediately following unnumbered paragraph 1:

8 NEW UNNUMBERED PARAGRAPH. On or before the
9 fifteenth day of the month of expiration of a
10 vehicle's registration the county treasurer shall send
11 a statement by mail of fees due to the appropriate
12 owner of record. The statement shall be mailed to the
13 most current address of record, showing information
14 sufficient to identify the vehicle and a listing of
15 the various fees as appropriate. Failure to receive a
16 statement shall have no effect upon the accrual of
17 penalty at the appropriate date. This paragraph
18 applies to counties with a population of one hundred
19 thousand or more. This paragraph applies to any
20 county with a population of less than one hundred
21 thousand at the discretion of the county treasurer."

22 2. Page 2, by inserting after line 7 the
23 following:

24 "Sec. ____ . Section 321.126, unnumbered paragraph
25 1, Code 1985, is amended to read as follows:

26 Refunds of current unexpired vehicle registration
27 ~~fees paid-for-the-registration-of-motor-vehicles~~ shall
28 be allowed in accordance with this section, except
29 that no refund shall be allowed and paid if the unused
30 portion of the fee is less than five dollars.

31 Subsections 1 and 2 ~~shall~~ do not apply to motor
32 vehicles registered by the county treasurer. The
33 refunds shall be made as follows:

34 Sec. ____ . Section 321.126, Code 1985, is amended
35 by adding the following new subsection:

36 NEW SUBSECTION. If a vehicle is sold or junked
37 within thirty days after a replacement vehicle has
38 been purchased and the title and registration for the
39 replacement vehicle issued, the owner in whose name
40 the vehicle was registered may within thirty days
41 after the date of sale or junking make claim to the
42 department for a refund of the sold or junked
43 vehicle's registration fee subject to the following
44 limitations:

45 a. The refund shall be computed on the basis of
46 the number of unexpired months remaining in the
47 registration year at the time the vehicle was sold or
48 junked and shall be rounded to the nearest whole
49 dollar. Section 321.127, subsection 1, does not
50 apply.

S-3779 page 2

1 b. The refund shall not exceed the amount of the
2 registration fee for the replacement vehicle and shall
3 only be allowed if the replacement vehicle was
4 registered within the time specified for registration
5 under section 321.46, subsection 1.

6 c. The refund shall only be allowed if the owner
7 provides the credit copy of the registration receipt
8 for the vehicle sold or junked and a photocopy of the
9 registration receipt for the replacement vehicle.

10 d. This subsection does not apply to vehicles
11 registered under chapter 326.

12 Sec. ____ . Section 321.127, Code 1985, is amended
13 to read as follows:

14 321.127 ~~AMOUNT~~ PAYMENT OF REFUND.

15 1. The refund of the registration fee for motor
16 vehicles shall be computed on the basis of one-fourth
17 ~~of the annual registration fee multiplied by the~~
18 number of remaining quarters of unexpired months
19 remaining in the registration year from date of filing
20 of the claim for refund with the county treasurer,
21 computed to the nearest quarter dollar.

22 2. The department, unless reasonable grounds exist
23 for delay, shall make refund on or before the
24 fifteenth last day of the quarter month following the
25 quarter month in which the claim is filed with the
26 department.

27 3. For trailers or semitrailers issued a multiyear
28 registration plate a refund shall be paid equal to the
29 annual fee for twelve months times the remaining
30 number of complete registration years.

31 4. Refunds for motor vehicles registered for
32 prorata under chapter 326 shall be paid on the basis
33 of unexpired complete calendar months remaining in the
34 registration year from the date the claim is filed
35 with the department."

36 3. Title page, line 7, by striking the words
37 "vehicle and" and inserting the word "vehicle,".

38 4. Title page, line 9, by inserting after the
39 word "person" the words ", requiring certain counties
40 to send a statement relating to due registration fees
41 to owners of motor vehicles and allowing a refund of
42 unexpired registration fees for certain vehicles".

43 5. Renumber sections as necessary.

S-3779 Filed April 17, 1985

A. Adopted (p. 1595) Reconsidered,
division ruled 6/10, 4/23

RECEIVED FROM THE HOUSE

Senate concurred 4/23/85 (p. 1596)

TRANSPORTATION: Gettings, Chair: Doyle and Drake

SSB 273
Transportation
Gettings
Doyle
Drake

New
SF 387

SENATE FILE _____

BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
GETTINGS)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act allowing a person to whom ownership of a vehicle has
2 been transferred by a spouse, parent or child of the
3 person, or by operation of law upon inheritance, devise
4 or bequest, from the person's spouse, parent or child,
5 or by a former spouse pursuant to a decree of disso-
6 lution of marriage, a credit to be applied to the reg-
7 istration fee of the transferred vehicle and requiring
8 rules to be adopted to provide for the assignment of
9 registration plates to the person.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 321.34, subsection 1, Code 1985, is
2 amended to read as follows:

3 1. PLATES ISSUED. The county treasurer upon receiving
4 application, accompanied by proper fee, for registration of a
5 vehicle shall issue to the owner one registration plate for a
6 motorcycle, motorized bicycle, truck tractor, trailer, or
7 semitrailer and two registration plates for every other motor
8 vehicle. The registration plates, including special
9 registration plates, shall be assigned to the owner of a
10 vehicle. ~~Whenever~~ When the owner of a registered vehicle
11 transfers or assigns ownership of such the vehicle to another
12 person, the owner shall remove the registration plates from
13 the vehicle. The owner shall forward the plates to the county
14 treasurer where the vehicle is registered or the owner may
15 have the plates assigned to another vehicle within thirty days
16 after transfer, upon payment of the fees required by law. The
17 owner shall immediately affix registration plates retained by
18 the owner to another vehicle owned or acquired by such-person
19 the owner, providing the owner complies with section 321.46.
20 The department shall adopt rules providing for the assignment
21 of registration plates to the transferee of a vehicle for
22 which a credit is allowed under section 321.46, subsection 6.

23 Sec. 2. Section 321.46, Code 1985, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. 6. An applicant for a new registration
26 for a vehicle transferred to the applicant by a spouse, parent
27 or child of the applicant, or by operation of law upon
28 inheritance, devise or bequest, from the applicant's spouse,
29 parent or child, or by a former spouse pursuant to a decree of
30 dissolution of marriage, is entitled to a credit to be applied
31 to the registration fee for the transferred vehicle. A credit
32 shall not be allowed unless the vehicle to which the credit
33 applies is registered within the time specified under
34 subsection 1. The credit shall be computed on the basis of
35 the number of unexpired months remaining in the registration

1 year of the former owner computed from the date the vehicle
2 was transferred, computed to the nearest whole dollar. The
3 credit shall not exceed the amount of the registration fee for
4 the transferred vehicle. When the amount of the credit is
5 computed to be an amount of less than five dollars, the credit
6 shall be disallowed. The credit shall not be sold,
7 transferred, or assigned to any other person.

8 EXPLANATION

9 This bill allows a person to whom ownership of a vehicle
10 has been transferred by a spouse, parent or child of the
11 person, or by operation of law upon inheritance, devise or
12 bequest, from the person's spouse, parent or child, or by a
13 former spouse pursuant to a decree of dissolution of marriage,
14 to receive a credit to be applied to the registration fee for
15 the transferred vehicle. The credit is computed on the basis
16 of the number of unexpired months remaining in the
17 registration year computed from the date the vehicle was
18 transferred. The credit may not exceed the amount of the
19 registration fee for the transferred vehicle and is disallowed
20 if the amount of the credit is less than five dollars.

21 The bill also requires the state department of
22 transportation to adopt rules providing for the transfer of
23 the registration plates to the transferee when a credit is
24 allowed.

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SENATE FILE 387

AN ACT

ALLOWING A PERSON TO WHOM OWNERSHIP OF A VEHICLE HAS BEEN TRANSFERRED BY A SPOUSE, PARENT OR CHILD OF THE PERSON, OR BY OPERATION OF LAW UPON INHERITANCE, DEVISE OR BEQUEST, FROM THE PERSON'S SPOUSE, PARENT OR CHILD, OR BY A FORMER SPOUSE PURSUANT TO A DECREE OF DISSOLUTION OF MARRIAGE, A CREDIT TO BE APPLIED TO THE REGISTRATION FEE OF THE TRANSFERRED VEHICLE, REQUIRING RULES TO BE ADOPTED TO PROVIDE FOR THE ASSIGNMENT OF REGISTRATION PLATES TO THE PERSON, REQUIRING CERTAIN COUNTIES TO SEND A STATEMENT RELATING TO DUE REGISTRATION FEES TO OWNERS OF MOTOR VEHICLES AND ALLOWING A REFUND OF UNEXPIRED REGISTRATION FEES FOR CERTAIN VEHICLES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 321.34, subsection 1, Code 1985, is amended to read as follows:

1. PLATES ISSUED. The county treasurer upon receiving application, accompanied by proper fee, for registration of a vehicle shall issue to the owner one registration plate for a

motorcycle, motorized bicycle, truck tractor, trailer, or semitrailer and two registration plates for every other motor vehicle. The registration plates, including special registration plates, shall be assigned to the owner of a vehicle. Whenever when the owner of a registered vehicle transfers or assigns ownership of such the vehicle to another person, the owner shall remove the registration plates from the vehicle. The owner shall forward the plates to the county treasurer where the vehicle is registered or the owner may have the plates assigned to another vehicle within thirty days after transfer, upon payment of the fees required by law. The owner shall immediately affix registration plates retained by the owner to another vehicle owned or acquired by such person the owner, providing the owner complies with section 321.46. The department shall adopt rules providing for the assignment of registration plates to the transferee of a vehicle for which a credit is allowed under section 321.46, subsection 6.

Sec. 2. Section 321.40, Code 1985, is amended by adding the following new unnumbered paragraph immediately following unnumbered paragraph 1:

NEW UNNUMBERED PARAGRAPH. On or before the fifteenth day of the month of expiration of a vehicle's registration the county treasurer shall send a statement by mail of fees due to the appropriate owner of record. The statement shall be mailed to the most current address of record, showing information sufficient to identify the vehicle and a listing of the various fees as appropriate. Failure to receive a statement shall have no effect upon the accrual of penalty at the appropriate date. This paragraph applies to counties with a population of one hundred thousand or more. This paragraph applies to any county with a population of less than one hundred thousand at the discretion of the county treasurer.

Sec. 3. Section 321.46, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 6. An applicant for a new registration for a vehicle transferred to the applicant by a spouse, parent or child of the applicant, or by operation of law upon inheritance, devise or bequest, from the applicant's spouse, parent or child, or by a former spouse pursuant to a decree of dissolution of marriage, is entitled to a credit to be applied to the registration fee for the transferred vehicle. A credit shall not be allowed unless the vehicle to which the credit applies is registered within the time specified under subsection 1. The credit shall be computed on the basis of the number of unexpired months remaining in the registration year of the former owner computed from the date the vehicle was transferred, computed to the nearest whole dollar. The credit shall not exceed the amount of the registration fee for the transferred vehicle. When the amount of the credit is computed to be an amount of less than five dollars, the credit shall be disallowed. The credit shall not be sold, transferred, or assigned to any other person.

Sec. 4. Section 321.126, unnumbered paragraph 1, Code 1985, is amended to read as follows:

Refunds of ~~current unexpired vehicle~~ registration fees paid ~~for the registration of motor vehicles~~ shall be allowed in accordance with this section, except that no refund shall be allowed and paid if the unused portion of the fee is less than five dollars. Subsections 1 and 2 ~~shall do not~~ apply to motor vehicles registered by the county treasurer. The refunds shall be made as follows:

Sec. 5. Section 321.126, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. If a vehicle is sold or junked within thirty days after a replacement vehicle has been purchased and the title and registration for the replacement vehicle issued, the owner in whose name the vehicle was registered may within thirty days after the date of sale or junking make claim to the department for a refund of the sold or junked vehicle's registration fee subject to the following limitations:

a. The refund shall be computed on the basis of the number of unexpired months remaining in the registration year at the time the vehicle was sold or junked and shall be rounded to the nearest whole dollar. Section 321.127, subsection 1, does not apply.

b. The refund shall not exceed the amount of the registration fee for the replacement vehicle and shall only be allowed if the replacement vehicle was registered within the time specified for registration under section 321.45, subsection 1.

c. The refund shall only be allowed if the owner provides the credit copy of the registration receipt for the vehicle sold or junked and a photocopy of the registration receipt for the replacement vehicle.

d. This subsection does not apply to vehicles registered under chapter 326.

Sec. 6. Section 321.127, Code 1985, is amended to read as follows:

321.127. ~~AMOUNT~~ AMOUNT PAYMENT OF REFUND.

1. The refund of the registration fee for motor vehicles shall be computed on the basis of ~~one fourth of the annual registration fee multiplied by~~ the number of ~~remaining quarters of unexpired months remaining~~ in the registration year from date of filing of the claim for refund with the county treasurer, computed to the nearest quarter dollar.

2. The department, unless reasonable grounds exist for delay, shall make refund on or before the ~~fifteenth~~ last day of the quarter month following the quarter month in which the claim is filed with the department.

3. For trailers or semitrailers issued a multiyear registration plate a refund shall be paid equal to the annual fee for twelve months times the remaining number of complete registration years.

4. Refunds for motor vehicles registered for prorate under chapter 326 shall be paid on the basis of unexpired complete

calendar months remaining in the registration year from the date the claim is filed with the department.

ROBERT T. ANDERSON
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 387, Seventy-first General Assembly.

K. MARIE THAYER
Secretary of the Senate

Approved May 8, 1985

TERRY E. BRANSTAD
Governor