

Proposed

FILED JAN 8 1990

SENATE FILE 2003
BY SZYMONIAK

(COMPANION TO HF 172)

Passed Senate, Date 2/26/90 (S.F. 728) Passed House, Date 3/16/90 (H.F. 1159)
Vote: Ayes 42 Nays 3 Vote: Ayes 87 Nays 0
Approved April 6, 1990

A BILL FOR

- 1 An Act permitting a refund of unexpired motor vehicle
- 2 registration fees to persons who sell their motor vehicles and
- 3 who will no longer be driving.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SENATE FILE 2003

S-5228

- 1 Amend Senate File 2003 as follows:
- 2 1. Page 1, by inserting after line 19 the fol-
- 3 lowing:
- 4 "d. The refund shall only be allowed if the owner
- 5 provides a statement from a physician licensed under
- 6 chapter 148, 149, 150, or 150A, a chiropractor
- 7 licensed under chapter 151, or a physician or
- 8 chiropractor licensed to practice in a contiguous
- 9 state, written on the physician's or chiropractor's
- 10 stationery, stating the nature of the owner's
- 11 handicap, or the owner's age, and such additional
- 12 information as required by rules adopted by the
- 13 department."
- 14 2. Page 1, line 20, by striking the letter "d."
- 15 and inserting the following: "e."

By RICHARD F. DRAKE

S.F. 2003

S-5228 FILED FEBRUARY 26, 1990
ADOPTED (S.F. 728)

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1 Section 1. Section 321.126, Code 1989, is amended by
2 adding the following new subsection:

3 NEW SUBSECTION. 8. If a motor vehicle is sold by its
4 owner and the owner will no longer be driving a motor vehicle
5 because of the owner's age or handicap, the owner in whose
6 name the vehicle was registered may within thirty days after
7 the date of sale make claim to the department for a refund of
8 the sold vehicle's registration fee subject to the following
9 limitations:

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

14 b. The owner shall surrender to the department any valid
15 motor vehicle licenses issued to the owner and such other
16 information required by the department.

17 c. The refund shall only be allowed if the owner provides
18 the credit copy of the registration receipt for the vehicle
19 sold.

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

22 EXPLANATION

23 This bill allows owners of vehicles who sell their motor
24 vehicles and who will no longer be driving motor vehicles due
25 to age or handicap, to make claim to the state department of
26 transportation for a refund within thirty days after the date
27 of sale of the motor vehicles. The refund is computed on the
28 basis of unexpired months remaining in the registration year
29 at the time the vehicle was sold rounded to the nearest whole
30 dollar. The owner must surrender to the department any valid
31 motor vehicle license issued to the owner, and the owner must
32 provide the credit copy of the registration receipt for the
33 vehicle sold. The bill does not apply to motor vehicles
34 subject to proportional registration under chapter 326.

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SENATE FILE 2003
FISCAL NOTE

A fiscal note for SENATE FILE 2003 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2003 allows owners of vehicles who sell their motor vehicles and who will no longer be driving motor vehicles due to age or handicap, to make claim to the Department of Transportation for a refund within thirty days after the date of sale of the motor vehicles. The refund is computed on the basis of unexpired months of the registration year at the time the vehicle was sold rounded to the nearest whole dollar. This bill does not apply to motor vehicles subject to proportional registration under Chapter 326, Iowa Code.

Assumptions

1. 175,000 vehicles a year are sold or junked and not replaced.
2. It is estimated that 30% of these vehicles would qualify for the refund, or approximately 53,000 refunds.
3. Estimated average refund is \$20.
4. Additional administrative costs of 20% above the refund would be generated.

Fiscal Effect

1. Annual Road Use Tax Fund loss from increased refunds: $53,000 \times \$20 = \$1,060,000$
2. Administrative costs (20%): $\$1,060,000 \times 20\% = \$212,000$
3. Total cost: $\$1,060,000 + \$212,000 = \$1,272,000$

The estimated \$1,060,000 loss to the Road Use Tax Fund would decrease the amount of funds available for cities and counties for road construction. Currently, cities receive 20% of the Road Use Tax Fund formula allocation and counties receive 32.5%. The revenue loss to cities and counties through the implementation of this bill would be as follows:

1. Cities: $\$1,060,000 \times 20\% = \$212,000$
2. Counties: $\$1,060,000 \times 32.5\% = \$344,500$

(Source: Department of Transportation)

(LSB 7079s, DLR)

FILED FEBRUARY 13, 1990

BY DENNIS PROUTY, FISCAL DIRECTOR

1 Section 1. Section 321.126, Code 1989, is amended by
2 adding the following new subsection:

3 NEW SUBSECTION. 8. If a motor vehicle is sold by its
4 owner and the owner will no longer be driving a motor vehicle
5 because of the owner's age or handicap, the owner in whose
6 name the vehicle was registered may within thirty days after
7 the date of sale make claim to the department for a refund of
8 the sold vehicle's registration fee subject to the following
9 limitations:

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

14 b. The owner shall surrender to the department any valid
15 motor vehicle licenses issued to the owner and such other
16 information required by the department.

17 c. The refund shall only be allowed if the owner provides
18 the credit copy of the registration receipt for the vehicle
19 sold.

20 d. The refund shall only be allowed if the owner provides
21 a statement from a physician licensed under chapter 148, 149,
22 150, or 150A, a chiropractor licensed under chapter 151, or a
23 physician or chiropractor licensed to practice in a contiguous
24 state, written on the physician's or chiropractor's
25 stationery, stating the nature of the owner's handicap, or the
26 owner's age, and such additional information as required by
27 rules adopted by the department.

28 e. This subsection does not apply to vehicles registered
29 under chapter 326.

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SENATE FILE 2003

H-5626

1 Amend Senate File 2003, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, by striking everything after the
4 enacting clause and inserting the following:

5 "Section 1. Section 321.46, subsection 3,
6 unnumbered paragraph 1, Code 1989, is amended to read
7 as follows:

8 The applicant shall be entitled to a credit for
9 that portion of the registration fee of the vehicle
10 sold, traded, or junked ~~within the state~~ which had not
11 expired prior to the transfer of ownership of the
12 vehicle. The registration fee for the new
13 registration for the vehicle acquired shall be reduced
14 by the amount of the credit. The credit shall be
15 computed on the basis of the number of months
16 remaining in the registration year, rounded to the
17 nearest whole dollar. The credit shall be subject to
18 the following limitations:

19 Sec. 2. Section 321.46, subsection 3, paragraph c,
20 Code 1989, is amended to read as follows:

21 c. When the amount of the credit is computed to be
22 an amount of less than five ten dollars, a credit
23 shall be disallowed.

24 Sec. 3. Section 321.46, subsection 3, paragraph g,
25 Code 1989, is amended to read as follows:

26 g. The credit allowed ~~shall not~~ may exceed the
27 amount of the registration fee for the vehicle
28 acquired, in which case the county treasurer shall
29 issue a vehicle registration fee credit receipt for
30 the excess amount which shall be valid for use in a
31 subsequent vehicle registration by the applicant. A
32 vehicle registration fee credit receipt is
33 nontransferable.

34 Sec. 4. Section 321.46, subsection 6, Code 1989,
35 is amended to read as follows:

36 6. An applicant for a new registration for a
37 vehicle transferred to the applicant by a spouse,
38 parent or child of the applicant, or by operation of
39 law upon inheritance, devise or bequest, from the
40 applicant's spouse, parent or child, or by a former
41 spouse pursuant to a decree of dissolution of
42 marriage, is entitled to a credit to be applied to the
43 registration fee for the transferred vehicle. A
44 credit shall not be allowed unless the vehicle to
45 which the credit applies is registered within the time
46 specified under subsection 1. The credit shall be
47 computed on the basis of the number of unexpired
48 months remaining in the registration year of the
49 former owner computed from the date the vehicle was
50 transferred, computed to the nearest whole dollar.

1 The credit shall not may exceed the amount of the
 2 registration fee for the transferred vehicle, in which
 3 case the county treasurer shall issue a vehicle
 4 registration fee credit receipt for the excess amount
 5 which shall be valid for use in a subsequent vehicle
 6 registration by the applicant. A vehicle registration
 7 credit receipt is nontransferable. When the amount of
 8 the credit is computed to be an amount of less than
 9 five ten dollars, the credit shall be disallowed. The
 10 credit shall not be sold, transferred, or assigned to
 11 any other person.

12 Sec. 5. Section 321.126, unnumbered paragraph 1,
 13 Code 1989, is amended to read as follows:

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

21 Sec. 6. Section 321.126, subsection 6, unnumbered
 22 paragraph 1, Code 1989, is amended to read as follows:

23 If a vehicle is sold or junked and a replacement
 24 vehicle is not purchased within the thirty days after
 25 a replacement vehicle has been purchased and the title
 26 and registration for the replacement vehicle issued
 27 following the date of sale or junking, the owner in
 28 whose name the vehicle was registered, after the
 29 expiration of the thirty-day period, may within thirty
 30 days after the date of sale or junking make claim to
 31 the department for a refund of the sold or junked
 32 vehicle's registration fee subject to the following
 33 limitations:

34 Sec. 7. Section 321.126, subsection 6, paragraph
 35 b, Code 1989, is amended by striking the paragraph.

36 Sec. 8. Section 321.126, subsection 6, paragraph
 37 c, Code 1989, is amended to read as follows:

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

42 Sec. 9. Section 321.126, subsection 6, Code 1989,
 43 is amended by adding the following new paragraph
 44 immediately following paragraph c and relettering the
 45 subsequent paragraphs:

46 NEW PARAGRAPH. d. The refund shall only be
 47 allowed if the owner makes claim for the refund within
 48 six months after the date of the vehicle's sale or
 49 junking.

50 Sec. 10.

a 3

1 This Act takes effect January 1, 1991."

2 2. Title page, line 1, by inserting after the
 3 word "refund" the following: "or credit".

4 3. Title page, by striking lines 2 and 3 and
 5 inserting the following: "registration fees to
 6 persons who sell, trade, or junk their motor vehicles
 7 and providing an effective date."

By COMMITTEE ON TRANSPORTATION

KOENIGS of Mitchell, Chairperson

SENATE FILE 2003

E-5732

Amend the amendment, H-5626, to Senate File 2003, as amended, passed, and reprinted by the Senate, as follows:

1. Page 1, by inserting after line 23 the following:

"Sec. ____ . Section 321.46, subsection 3, paragraph e, Code 1989, is amended to read as follows:

e. A credit shall not be allowed to any person who is-eligible has made claim to receive a refund, upon proper application, under section 321.126."

2. Page 1, by striking lines 25 through 33, and inserting the following: "Code 1989, is amended by striking the paragraph and inserting the following:

g. If the credit allowed exceeds the amount of the registration fee for the vehicle acquired, the owner may claim a refund under section 321.126, subsection 6, for the balance of the credit."

3. Page 2, by striking lines 2 through 7, and inserting the following: "registration fee for the transferred vehicle. When the amount of".

4. Page 2, line 32, by striking the word "fee" and inserting the following: "fee. Also if the owner of a vehicle receives a vehicle registration fee credit under section 321.46, subsection 3, and the credit allowed exceeds the amount of the registration fee for the vehicle acquired, the owner may claim a refund for the balance of the credit. The refund is".

5. Page 2, by inserting after line 33 the following:

"Sec. ____ . Section 321.126, subsection 6, paragraph a, Code 1989, is amended to read as follows:

a. If a vehicle registration fee credit has not been received by the owner of the vehicle under section 321.46, subsection 3, 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. The refund shall be rounded to the nearest whole dollar. Section 321.127, subsection 1, does not apply."

6. Page 2 line 39, by striking the words "the credit" and inserting the following: "the credit a".

7. Page 2, line 48, by striking the word "sale" and inserting the following: "sale, trade,".

8. Renumber sections as necessary.

By COHOON of Des Moines

E-5732 FILED MARCH 16, 1990

Adopted by (p. 1159)

HOUSE AMENDMENT TO
SENATE FILE 2003

S-5580

1 Amend Senate File 2003, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, by striking everything after the
4 enacting clause and inserting the following:

5 "Section 1. Section 321.46, subsection 3,
6 unnumbered paragraph 1, Code 1989, is amended to read
7 as follows:

8 The applicant shall be entitled to a credit for
9 that portion of the registration fee of the vehicle
10 sold, traded, or junked ~~within-the-state~~ which had not
11 expired prior to the transfer of ownership of the
12 vehicle. The registration fee for the new
13 registration for the vehicle acquired shall be reduced
14 by the amount of the credit. The credit shall be
15 computed on the basis of the number of months
16 remaining in the registration year, rounded to the
17 nearest whole dollar. The credit shall be subject to
18 the following limitations:

19 Sec. 2. Section 321.46, subsection 3, paragraph c,
20 Code 1989, is amended to read as follows:

21 c. When the amount of the credit is computed to be
22 an amount of less than ~~five~~ ten dollars, a credit
23 shall be disallowed.

24 Sec. 3. Section 321.46, subsection 3, paragraph e,
25 Code 1989, is amended to read as follows:

26 e. A credit shall not be allowed to any person who
27 ~~is-eligible~~ has made claim to receive a refund, ~~upon~~
28 ~~proper-application,~~ under section 321.126.

29 Sec. 4. Section 321.46, subsection 3, paragraph g,
30 Code 1989, is amended by striking the paragraph and
31 inserting the following:

32 g. If the credit allowed exceeds the amount of the
33 registration fee for the vehicle acquired, the owner
34 may claim a refund under section 321.126, subsection
35 6, for the balance of the credit.

36 Sec. 5. Section 321.46, subsection 6, Code 1989,
37 is amended to read as follows:

38 6. An applicant for a new registration for a
39 vehicle transferred to the applicant by a spouse,
40 parent or child of the applicant, or by operation of
41 law upon inheritance, devise or bequest, from the
42 applicant's spouse, parent or child, or by a former
43 spouse pursuant to a decree of dissolution of
44 marriage, is entitled to a credit to be applied to the
45 registration fee for the transferred vehicle. A
46 credit shall not be allowed unless the vehicle to
47 which the credit applies is registered within the time
48 specified under subsection 1. The credit shall be
49 computed on the basis of the number of unexpired
50 months remaining in the registration year of the

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Page 2

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

9 Sec. 6. Section 321.126, unnumbered paragraph 1,
10 Code 1989, is amended to read as follows:

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

18 Sec. 7. Section 321.126, subsection 6, unnumbered
19 paragraph 1, Code 1989, is amended to read as follows:

20 If a vehicle is sold or junked and a replacement
21 vehicle is not purchased within the thirty days after
22 a replacement vehicle has been purchased and the title
23 and registration for the replacement vehicle issued
24 following the date of sale or junking, the owner in
25 whose name the vehicle was registered, after the
26 expiration of the thirty-day period, may within thirty
27 days after the date of sale or junking make claim to
28 the department for a refund of the sold or junked
29 vehicle's registration fee. Also if the owner of a
30 vehicle receives a vehicle registration fee credit
31 under section 321.46, subsection 3, and the credit
32 allowed exceeds the amount of the registration fee for
33 the vehicle acquired, the owner may claim a refund for
34 the balance of the credit. The refund is subject to
35 the following limitations:

36 Sec. 8. Section 321.126, subsection 6, paragraph
37 a, Code 1989, is amended to read as follows:

38 a. The If a vehicle registration fee credit has
39 not been received by the owner of the vehicle under
40 section 321.46, subsection 3, the refund shall be
41 computed on the basis of the number of unexpired
42 months remaining in the registration year at the time
43 the vehicle was sold or junked and. The refund shall
44 be rounded to the nearest whole dollar. Section
45 321.127, subsection 1, does not apply.

46 Sec. 9. Section 321.126, subsection 6, paragraph
47 b, Code 1989, is amended by striking the paragraph.

48 Sec. 10. Section 321.126, subsection 6, paragraph
49 c, Code 1989, is amended to read as follows:

50 c. The refund shall only be allowed if the owner

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Page 3

1 provides ~~the credit~~ a copy of the registration receipt
2 for the vehicle sold or junked ~~and a photocopy of the~~
3 ~~registration receipt for the replacement vehicle.~~

4 Sec. 11. Section 321.126, subsection 6, Code 1989,
5 is amended by adding the following new paragraph
6 immediately following paragraph c and relettering the
7 subsequent paragraph:

8 NEW PARAGRAPH. d. The refund shall only be
9 allowed if the owner makes claim for the refund within
10 six months after the date of the vehicle's sale,
11 trade, or junking.

12 Sec. 12.

13 This Act takes effect January 1, 1991."

14 2. Title page, line 1, by inserting after the
15 word "refund" the following: "or credit".

16 3. Title page, by striking lines 2 and 3 and
17 inserting the following: "registration fees to
18 persons who sell, trade, or junk their motor vehicles
19 and providing an effective date."

RECEIVED FROM THE HOUSE

S-5580 FILED MARCH 20, 1990

*Senate refused to concur 3/22 (p. 1248) Motion to Reconsider (p. 1256) prevailed 4/2
Reconsideration concurred 4/2 (p. 1248)*

SENATE FILE 2003

AN ACT

PERMITTING A REFUND OR CREDIT OF UNEXPIRED MOTOR VEHICLE
REGISTRATION FEES TO PERSONS WHO SELL, TRADE, OR JUNK THEIR
MOTOR VEHICLES AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 321.46, subsection 3, unnumbered
paragraph 1, Code 1989, is amended to read as follows:

The applicant shall be entitled to a credit for that
portion of the registration fee of the vehicle sold, traded,
or junked ~~within-the-state~~ which had not expired prior to the
transfer of ownership of the vehicle. The registration fee
for the new registration for the vehicle acquired shall be
reduced by the amount of the credit. The credit shall be
computed on the basis of the number of months remaining in the
registration year, rounded to the nearest whole dollar. The
credit shall be subject to the following limitations:

Sec. 2. Section 321.46, subsection 3, paragraph c, Code
1989, is amended to read as follows:

c. When the amount of the credit is computed to be an
amount of less than five ten dollars, a credit shall be
disallowed.

Sec. 3. Section 321.46, subsection 3, paragraph e, Code
1989, is amended to read as follows:

e. A credit shall not be allowed to any person who is
eligible has made claim to receive a refund-upon-proper
application under section 321.126.

Sec. 4. Section 321.46, subsection 3, paragraph g, Code
1989, is amended by striking the paragraph and inserting the
following:

g. If the credit allowed exceeds the amount of the
registration fee for the vehicle acquired, the owner may claim
a refund under section 321.126, subsection 6, for the balance
of the credit.

Sec. 5. Section 321.46, subsection 6, Code 1989, is
amended to read as follows:

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~~ may 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 ten dollars, the
credit shall be disallowed. The credit shall not be sold,
transferred, or assigned to any other person.

Sec. 6. Section 321.126, unnumbered paragraph 1, Code
1989, is amended to read as follows:

Refunds of unexpired vehicle registration fees 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 ten dollars. Subsections 1 and 2 do not apply
to motor vehicles registered by the county treasurer. The
refunds shall be made as follows:

Sec. 7. Section 321.126, subsection 6, unnumbered
paragraph 1, Code 1989, is amended to read as follows:

If a vehicle is sold or junked and a replacement vehicle is not purchased within the thirty days after a replacement vehicle has been purchased and the title and registration for the replacement vehicle issued following the date of sale or junking, the owner in whose name the vehicle was registered, after the expiration of the thirty-day period, 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. Also if the owner of a vehicle receives a vehicle registration fee credit under section 321.46, subsection 3, and the credit allowed exceeds the amount of the registration fee for the vehicle acquired, the owner may claim a refund for the balance of the credit. The refund is subject to the following limitations:

Sec. 8. Section 321.126, subsection 6, paragraph a, Code 1989, is amended to read as follows:

a. ~~The~~ If a vehicle registration fee credit has not been received by the owner of the vehicle under section 321.46, subsection 3, 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. The refund shall be rounded to the nearest whole dollar. Section 321.127, subsection 1, does not apply.

Sec. 9. Section 321.126, subsection 6, paragraph b, Code 1989, is amended by striking the paragraph.

Sec. 10. Section 321.126, subsection 6, paragraph c, Code 1989, is amended to read as follows:

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

Sec. 11. Section 321.126, subsection 6, Code 1989, is amended by adding the following new paragraph immediately following paragraph c and relettering the subsequent paragraph:

NEW PARAGRAPH. d. The refund shall only be allowed if the owner makes claim for the refund within six months after the date of the vehicle's sale, trade, or junking.

Sec. 12.

This Act takes effect January 1, 1991.

JO ANN ZIMMERMAN
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 2003, Seventy-third General Assembly.

Approved April 6, 1990

JOHN P. DWYER
Secretary of the Senate

TERRY E. BRANSTAD
Governor