

House Study Bill 714

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON HUSER)

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

A BILL FOR

1 An Act relating to the crediting of fees collected by the
2 department of transportation, repealing the use tax on
3 vehicles subject to registration and the use tax on certain
4 leased motor vehicles, and establishing a fee for new
5 registration of vehicles, making penalties applicable, and
6 providing an effective date.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
8 TLSB 5396YC 82
9 dea/nh/14

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1 1 DIVISION I
1 2 ROAD USE TAX FUND
1 3 Section 1. Section 312.1, Code 2007, is amended to read as
1 4 follows:
1 5 312.1 FUND CREATED.
1 6 1. There is hereby created, in the state treasury, a road
1 7 use tax fund. ~~Said~~ The road use tax fund shall ~~embrace and~~
1 8 include all of the following:
1 9 ~~1-~~ a. All the net proceeds of the registration of motor
1 10 vehicles under chapter 321.
1 11 ~~2-~~ b. All the net proceeds of the motor fuel tax or
1 12 license fees under chapter 452A.
1 13 ~~3-~~ c. Revenue derived from the excise tax imposed upon
1 14 the rental of automobiles, under chapter 423C, ~~as to the~~
1 15 ~~extent provided by section 423C.5.~~
1 16 ~~4. To the extent provided in section 423.43, subsection 1,~~
1 17 ~~paragraph "b", from revenue derived from the use tax, under~~
1 18 ~~chapter 423 on motor vehicles, trailers, and motor vehicle~~
1 19 ~~accessories and equipment.~~
1 20 ~~5-~~ d. Any other funds which may by law be credited to the
1 21 road use tax fund.
1 22 2. Notwithstanding section 12C.7, subsection 2, interest
1 23 or earnings on investments or time deposits of the moneys in
1 24 the road use tax fund and the funds to which moneys from the
1 25 road use tax fund are credited shall be credited to the road
1 26 use tax fund.
1 27 Sec. 2. Section 312.2, subsections 14 and 16, Code
1 28 Supplement 2007, are amended by striking the subsections.
1 29 Sec. 3. Section 312.2, Code Supplement 2007, is amended by
1 30 adding the following new subsection:
1 31 NEW SUBSECTION. 19. The treasurer of state, before making
1 32 the allotments provided for in this section, shall credit
1 33 monthly from the road use tax fund to the state department of
1 34 transportation an amount equal to twenty percent of the
1 35 revenues collected from the operation of section 321.105A, to
2 1 be credited and deposited as follows: one-half to the road
2 2 use tax fund and one-half to the primary road fund to be used
2 3 for the commercial and industrial highway network.
2 4 Sec. 4. Section 321.52A, Code 2007, is amended to read as
2 5 follows:
2 6 321.52A CERTIFICATE OF TITLE SURCHARGE == ALLOCATION OF
2 7 MONEYS.
2 8 ~~1-~~ In addition to the fee required for the issuance of a
2 9 certificate of title under section 321.20, 321.20A, 321.23,
2 10 321.42, 321.46, 321.47, 321.48, 321.50, or 321.52, a surcharge
2 11 of five dollars shall be required. Of each surcharge
2 12 collected under those sections, the county treasurer shall
2 13 remit five dollars to the office of treasurer of state for
2 14 deposit as set forth in section 321.145, subsection 2.

2 15 2. For the fiscal year beginning July 1, 2002, through the
2 16 fiscal year beginning July 1, 2006, the treasurer of state
2 17 shall deposit twenty percent of the moneys received under
2 18 subsection 1 in the waste tire management fund and deposit the
2 19 remainder in the road use tax fund. For the fiscal year
2 20 beginning July 1, 2007, and each subsequent fiscal year, the
2 21 treasurer of state shall deposit the entire amount of moneys
2 22 received under subsection 1 in the road use tax fund.

2 23 Sec. 5. Section 321.145, Code 2007, is amended to read as
2 24 follows:

2 25 321.145 DISPOSITION OF MONEYS AND FEES.

2 26 1. Except for fines, forfeitures, court costs, and the
2 27 collection fees retained by the county treasurer pursuant to
2 28 section 321.152, and except as provided in subsections 2 and
2 29 3, moneys and motor vehicle license registration fees
2 30 collected under this chapter shall be credited by the
2 31 treasurer of state to the road use tax fund.

2 32 2. a. Revenues derived from fees charged for driver's
2 33 licenses and nonoperator's identification cards, fees charged
2 34 for the issuance of a certificate of title, and the
2 35 certificate of title surcharge collected pursuant to section
3 1 321.52A, shall be credited as follows:

3 2 (1) An amount equal to one-twentieth of eighty percent of
3 3 the revenue from the operation of section 321.105A shall be
3 4 credited to the department, to be used for purposes of public
3 5 transit assistance under chapter 324A.

3 6 (2) An amount equal to one dollar per year of license
3 7 validity for each issued or renewed driver's license which is
3 8 valid for the operation of a motorcycle shall be credited to
3 9 the motorcycle education fund established under section
3 10 321.180B.

3 11 (3) The amounts required to be transferred pursuant to
3 12 section 321.34 from revenues available under this subsection
3 13 shall be transferred and credited as provided in section
3 14 321.34, subsections 7, 10, 10A, 11, 11A, 11B, 13, 16, 17, 18,
3 15 19, 20, 20A, 20B, 21, 22, 23, and 24 for the various purposes
3 16 specified in those subsections.

3 17 b. Any such revenues remaining shall be credited to the
3 18 road use tax fund.

3 19 3. The department may direct the treasurer of state to
3 20 credit to the primary road fund any amount of revenues derived
3 21 from trailer registration fees collected pursuant to sections
3 22 321.105 and 321.105A to the extent necessary to reimburse that
3 23 fund for the expenditures not otherwise eligible to be made
3 24 from the primary road fund, which are made for repairing,
3 25 improving, and maintaining bridges over the rivers bordering
3 26 the state. Expenditures for those portions of bridges within
3 27 adjacent states may be included when they are made pursuant to
3 28 an agreement entered into under section 313.63, 313A.34, or
3 29 314.10.

3 30 Sec. 6. Section 423C.5, Code 2007, is amended to read as
3 31 follows:

3 32 423C.5 DEPOSIT OF REVENUE.

3 33 The department, at the direction of the department of
3 34 transportation, shall credit the revenue arising from the
3 35 operation of this chapter shall be credited, as necessary to
4 1 supplement the funds available for the purposes specified in
4 2 section 321.145, subsection 2, paragraph "a". Any such
4 3 revenue remaining shall be credited to the road use tax fund.

4 4 Sec. 7. Section 424.7, subsection 4, Code 2007, is amended
4 5 to read as follows:

4 6 4. Upon receipt of a payment pursuant to this chapter, the
4 7 department shall deposit the moneys as follows:

4 8 a. Up to a maximum of four million two hundred fifty
4 9 thousand dollars per quarter shall be deposited into and
4 10 credited to the Iowa comprehensive petroleum underground
4 11 storage tank fund created in section 455G.3, and the moneys so
4 12 deposited are a continuing appropriation for expenditure under
4 13 chapter 455G, and moneys so appropriated shall not be used for
4 14 other purposes.

4 15 b. Any such moneys remaining shall be deposited into the
4 16 road use tax fund created in section 312.1.

4 17 DIVISION II
4 18 FEE FOR NEW VEHICLE REGISTRATION

4 19 Sec. 8. Section 321.1, Code 2007, is amended by adding the
4 20 following new subsection:

4 21 NEW SUBSECTION. 59A. "Registration fees", unless
4 22 otherwise specified, means both the annual vehicle
4 23 registration fee and the fee for new registration, to the
4 24 extent applicable, for purposes of administering the
4 25 provisions of this chapter concerning vehicle registration

4 26 fees.

4 27 Sec. 9. Section 321.2, Code 2007, is amended to read as
4 28 follows:

4 29 321.2 DEPARTMENT.

4 30 1. The Except as otherwise provided by law, the state
4 31 department of transportation shall administer and enforce the
4 32 provisions of this chapter.

4 33 2. The division of state patrol of the department of
4 34 public safety shall enforce the provisions of this chapter
4 35 relating to traffic on the public highways of the state,
5 1 including those relating to the safe and legal operation of
5 2 passenger cars, motorcycles, motor trucks and buses, and to
5 3 see that proper safety rules are observed.

5 4 3. The state department of transportation and the
5 5 department of public safety shall cooperate to insure the
5 6 proper and adequate enforcement of the provisions of this
5 7 chapter.

5 8 4. The director of revenue shall administer and enforce
5 9 the collection of the fee for new registration as provided in
5 10 section 321.105A.

5 11 Sec. 10. NEW SECTION. 321.105A FEE FOR NEW REGISTRATION.

5 12 1. DEFINITIONS. The following terms, when used in this
5 13 section, shall have the following meanings, except in those
5 14 instances where the context clearly indicates otherwise:

- 5 15 a. "Department" means the department of revenue.
5 16 b. "Director" means the director of revenue.
5 17 c. "Owner" means as defined in section 321.1. For
5 18 purposes of the fee for new registration imposed on leased
5 19 vehicles under subsection 3, "owner" means the "lessor".
5 20 d. "Purchase" means any transfer, exchange, or barter,
5 21 conditional or otherwise, in any manner or by any means
5 22 whatsoever, for consideration.

5 23 2. In addition to the annual registration fee required
5 24 under section 321.105, a "fee for new registration" is imposed
5 25 in the amount of five percent of the purchase price for each
5 26 vehicle subject to registration. The fee for new registration
5 27 shall be paid by the owner of the vehicle to the county
5 28 treasurer at the time application is made for original
5 29 registration for a vehicle. A new registration receipt shall
5 30 not be issued until the fee has been paid. The county
5 31 treasurer or the department of transportation shall require
5 32 every applicant for a new registration receipt for a vehicle
5 33 subject to registration to supply information as the county
5 34 treasurer or the director deems necessary as to the time of
5 35 purchase, the purchase price, and other information relative
6 1 to the purchase of the vehicle. On or before the tenth day of
6 2 each month, the county treasurer or the department of
6 3 transportation shall remit to the department of revenue the
6 4 amount of the fees for new registration collected during the
6 5 preceding month.

6 6 a. For purposes of this subsection, "purchase price"
6 7 applies to the measure subject to the fee for new
6 8 registration. "Purchase price" shall be determined in the
6 9 same manner as "sales price" is determined for purposes of
6 10 computing the tax imposed upon the sales price of tangible
6 11 personal property under chapter 423, pursuant to the
6 12 definition in section 423.1, subsection 47, subject to the
6 13 following exemptions:

6 14 (1) Exempted from the purchase price of any vehicle
6 15 subject to registration is the amount of any cash rebate which
6 16 is provided by a motor vehicle manufacturer to the purchaser
6 17 of the vehicle subject to registration so long as the rebate
6 18 is applied to the purchase price of the vehicle.

6 19 (2) (a) In transactions, except those subject to
6 20 subparagraph subdivision (b), in which a vehicle subject to
6 21 registration is traded toward the purchase price of another
6 22 vehicle subject to registration, the purchase price is only
6 23 that portion of the purchase price which is valued in money,
6 24 whether received in money or not, if the following conditions
6 25 are met:

6 26 (i) The vehicle traded to the retailer is the type of
6 27 vehicle normally sold in the regular course of the retailer's
6 28 business.

6 29 (ii) The vehicle traded to the retailer is intended by the
6 30 retailer to be ultimately sold at retail or is intended to be
6 31 used by the retailer or another in the remanufacturing of a
6 32 like vehicle.

6 33 (b) In a transaction between persons, neither of which is
6 34 a retailer of vehicles subject to registration, in which a
6 35 vehicle subject to registration is traded toward the purchase
7 1 price of another vehicle subject to registration, the amount

7 2 of the trade-in value allowed on the vehicle subject to
7 3 registration traded is exempted from the purchase price.
7 4 (c) In order for the trade-in value to be excluded from
7 5 the purchase price, the name or names on the title and
7 6 registration of the vehicle being purchased must be the same
7 7 name or names on the title and registration of the vehicle
7 8 being traded. The following trades qualify under this
7 9 subparagraph subdivision (c):
7 10 (i) A trade involving spouses, if the traded vehicle and
7 11 the acquired vehicle are titled in the name of one or both of
7 12 the spouses, with no outside party named on the title.
7 13 (ii) A trade involving a grandparent, parent, or child,
7 14 including adopted and step relationships, if the name of one
7 15 of the family members from the title of the traded vehicle is
7 16 also on the title of the newly acquired vehicle.
7 17 (iii) A trade involving a business, if one of the owners
7 18 listed on the title of the traded vehicle is a business, and
7 19 the names on the title are separated by "or".
7 20 (iv) A trade in which the vehicle being purchased is
7 21 titled in the name of an individual other than the owner of
7 22 the traded vehicle due to the cosigning requirements of a
7 23 financial institution.
7 24 (3) Exempted from the purchase price of a replacement
7 25 motor vehicle owned by a motor vehicle dealer licensed under
7 26 chapter 322 which is being registered by that dealer and is
7 27 not otherwise exempt from the fee for new registration is the
7 28 fair market value of a replaced motor vehicle if all of the
7 29 following conditions are met:
7 30 (a) The motor vehicle being registered is being placed in
7 31 service as a replacement motor vehicle for a motor vehicle
7 32 registered by the motor vehicle dealer.
7 33 (b) The motor vehicle being registered is taken from the
7 34 motor vehicle dealer's inventory.
7 35 (c) The fee for new registration on the motor vehicle
8 1 being replaced was paid by the motor vehicle dealer when that
8 2 motor vehicle was registered.
8 3 (d) The replaced motor vehicle is returned to the motor
8 4 vehicle dealer's inventory for sale.
8 5 (e) The application for registration and title of the
8 6 motor vehicle being registered is filed with the county
8 7 treasurer within two weeks of the date the replaced motor
8 8 vehicle is returned to the motor vehicle dealer's inventory.
8 9 (f) The motor vehicle being registered is placed in the
8 10 same or substantially similar service as the replaced motor
8 11 vehicle.
8 12 b. For purposes of this subsection, the fee for new
8 13 registration on a vehicle registered in this state by the
8 14 manufacturer of that vehicle from a manufacturer's statement
8 15 of origin is calculated on the base value of fifty percent of
8 16 the retail list price of the vehicle.
8 17 c. The following are exempt from the fee for new
8 18 registration imposed under this subsection, as long as a valid
8 19 affidavit is filed with the county treasurer at the time of
8 20 application for registration:
8 21 (1) Entities listed in section 423.3, subsections 17, 18,
8 22 19, 20, 21, 22, 26, 27, 28, 31, and 79, to the extent that
8 23 those entities are exempt from the tax imposed on the sale of
8 24 tangible personal property, consisting of goods, wares, or
8 25 merchandise, sold at retail in the state to consumers or
8 26 users.
8 27 (2) Vehicles as defined in section 321.1, subsections 41,
8 28 64A, 71, 85, and 88, except such vehicles subject to
8 29 registration which are designed primarily for carrying
8 30 persons, when purchased for lease and actually leased to a
8 31 lessee for use outside the state of Iowa and the subsequent
8 32 sole use in Iowa is in interstate commerce or interstate
8 33 transportation.
8 34 (3) (a) Vehicles subject to registration which are
8 35 transferred from a business or individual conducting a
9 1 business within this state as a sole proprietorship,
9 2 partnership, or limited liability company to a corporation
9 3 formed by the sole proprietorship, partnership, or limited
9 4 liability company for the purpose of continuing the business
9 5 when all of the stock of the corporation so formed is owned by
9 6 the sole proprietor and the sole proprietor's spouse, by all
9 7 the partners in the case of a partnership, or by all the
9 8 members in the case of a limited liability company. This
9 9 exemption is equally available where the vehicles subject to
9 10 registration are transferred from a corporation to a sole
9 11 proprietorship, partnership, or limited liability company
9 12 formed by that corporation for the purpose of continuing the

9 13 business when all of the incidents of ownership are owned by
9 14 the same person or persons who were stockholders of the
9 15 corporation.

9 16 (b) This exemption also applies where the vehicles subject
9 17 to registration are transferred from a corporation as part of
9 18 the liquidation of the corporation to its stockholders if
9 19 within three months of such transfer the stockholders
9 20 retransfer those vehicles subject to registration to a sole
9 21 proprietorship, partnership, or limited liability company for
9 22 the purpose of continuing the business of the corporation when
9 23 all of the incidents of ownership are owned by the same person
9 24 or persons who were stockholders of the corporation.

9 25 (c) This exemption applies to corporations that have been
9 26 in existence for not longer than twenty-four months.

9 27 (4) Vehicles subject to registration which are transferred
9 28 from a corporation that is primarily engaged in the business
9 29 of leasing vehicles subject to registration to a corporation
9 30 that is primarily engaged in the business of leasing vehicles
9 31 subject to registration when the transferor and transferee
9 32 corporations are part of the same controlled group for federal
9 33 income tax purposes.

9 34 (5) (a) Vehicles registered or operated under chapter 326
9 35 and used substantially in interstate commerce. For purposes
10 1 of this subparagraph (5), "substantially in interstate
10 2 commerce" means that a minimum of twenty-five percent of the
10 3 miles operated by the vehicle accrues in states other than
10 4 Iowa. This subparagraph (5) applies only to vehicles which
10 5 are registered for a gross weight of thirteen tons or more.

10 6 (b) For purposes of this subparagraph (5), trailers and
10 7 semitrailers registered or operated under chapter 326 are
10 8 deemed to be used substantially in interstate commerce and to
10 9 be registered for a gross weight of thirteen tons or more.

10 10 (c) For the purposes of this subparagraph (5), if a
10 11 vehicle meets the requirement that twenty-five percent of the
10 12 miles operated accrues in states other than Iowa in each year
10 13 of the first four-year period of operation, the exemption from
10 14 the fee for new registration shall continue until the vehicle
10 15 is sold or transferred. If the vehicle is found to have not
10 16 met the exemption requirements or the exemption was revoked,
10 17 the value of the vehicle upon which the fee for new
10 18 registration shall be imposed is based on the original
10 19 purchase price if revocation or nonqualification for this
10 20 exemption occurs during the first year following registration.
10 21 If revocation or nonqualification for this exemption occurs
10 22 after the first year following registration, the value of the
10 23 vehicle upon which the fee shall be imposed is the book or
10 24 market value, whichever is less, at the time the exemption
10 25 requirements were not met or the exemption was revoked.

10 26 (6) Vehicles subject to registration in any state when
10 27 purchased for rental or registered and titled by a motor
10 28 vehicle dealer licensed pursuant to chapter 322 for rental
10 29 use, and held for rental for a period of one hundred twenty
10 30 days or more and actually rented for periods of sixty days or
10 31 less by a person regularly engaged in the business of renting
10 32 vehicles including but not limited to motor vehicle dealers
10 33 licensed pursuant to chapter 322 who rent automobiles to
10 34 users, if the rental of the vehicles is subject to taxation
10 35 under chapter 423C.

11 1 (7) Vehicles subject to registration in this state for
11 2 which the applicant for registration has paid to another state
11 3 a state sales, use, or occupational tax. However, if the tax
11 4 paid to another state is less than the fee for new
11 5 registration calculated for the vehicle, the difference shall
11 6 be the amount to be collected as the fee for new registration.

11 7 (8) A vehicle subject to registration in this state which
11 8 is owned by a person who has moved from another state with the
11 9 intention of changing residency to Iowa, provided that the
11 10 vehicle was purchased for use in the state from which the
11 11 applicant moved and was not, at or near the time of purchase,
11 12 purchased for use in Iowa.

11 13 (9) A vehicle that was previously registered in this state
11 14 and was subsequently registered in another state is not
11 15 subject to the fee for new registration when it is again
11 16 registered in this state, provided that the applicant for
11 17 registration has maintained ownership of the vehicle since its
11 18 initial registration in this state and has previously paid the
11 19 use tax or fee for new registration for the vehicle in this
11 20 state.

11 21 (10) Vehicles transferred by operation of law as provided
11 22 in section 321.47.

11 23 (11) Vehicles for which ownership is transferred to or

11 24 from a revocable or irrevocable trust, if no consideration is
11 25 present.

11 26 (12) Vehicles transferred to the surviving corporation for
11 27 no consideration as a result of a corporate merger according
11 28 to the laws of this state in which the merging corporation is
11 29 immediately extinguished and dissolved.

11 30 (13) Vehicles purchased in this state by a nonresident for
11 31 removal to the nonresident's state of residence if the
11 32 purchaser applies to the county treasurer for a transit plate
11 33 under section 321.109.

11 34 (14) Vehicles purchased by a licensed motor vehicle dealer
11 35 for resale.

12 1 (15) Homemade vehicles built from parts purchased at
12 2 retail, upon which the consumer paid a tax to the seller, but
12 3 only on such vehicles never before registered. This exemption
12 4 does not apply for vehicles subject to registration which are
12 5 made by a manufacturer engaged in the business for purpose of
12 6 sales or rental.

12 7 (16) Vehicles title under a salvage certificate of title.
12 8 However, when such a vehicle has been repaired and a regular
12 9 certificate of title is applied for, the fee for new
12 10 registration is due as follows:

12 11 (a) If the owner of the vehicle is a licensed recycler,
12 12 unless the applicant is licensed as a vehicle dealer, the fee
12 13 for new registration applies based on the fair market value of
12 14 the vehicle, with deduction allowed for the cost of parts,
12 15 supplies, and equipment for which sales tax was paid and which
12 16 were used to rebuild the vehicle.

12 17 (b) If the owner is a person who is not licensed as a
12 18 recycler or vehicle dealer, the fee for new registration
12 19 applies based on the fair market value of the vehicle, with
12 20 deduction allowed for the cost of parts, frames, chassis, auto
12 21 bodies, or supplies that were purchased to rebuild the vehicle
12 22 and for which sales tax was paid.

12 23 (17) A vehicle delivered to a resident Native American
12 24 Indian on the reservation.

12 25 (18) A vehicle transferred from one individual to another
12 26 as a gift in a transaction in which no consideration is
12 27 present.

12 28 (19) A vehicle given by a corporation as a gift to a
12 29 retiring employee.

12 30 (20) A vehicle sold by an entity where the profits from
12 31 the sale are used by or donated to a nonprofit entity which is
12 32 exempt from federal income taxation pursuant to section
12 33 501(c)(3) of the Internal Revenue Code, a government entity,
12 34 or a nonprofit private educational institution, and where the
12 35 entire proceeds from the sale of the vehicle are expended for

13 1 any of the following purposes:

13 2 (a) Educational.

13 3 (b) Religious.

13 4 (c) Charitable. A charitable act is an act done out of
13 5 goodwill, benevolence, and a desire to add to or to improve
13 6 the good of humankind in general or any class or portion of
13 7 humankind, with no pecuniary profit inuring to the person
13 8 performing the service or giving the gift.

13 9 (21) A vehicle given or sold to be subsequently awarded as
13 10 a raffle prize under chapter 99B.

13 11 (22) A vehicle won as a raffle prize under chapter 99B.

13 12 (23) A vehicle that is directly and primarily used in the
13 13 recycling or reprocessing of waste products.

13 14 (24) Vehicles purchased by a person who will rebuild those
13 15 vehicles into ambulances, rescue, or fire vehicles, provided
13 16 the person is a licensed wholesaler of new motor vehicles.

13 17 (25) A vehicle repossessed by a vehicle dealer pursuant to
13 18 the uniform commercial code, chapter 554, provided there is a
13 19 valid lien on the title and the dealer anticipates reselling
13 20 the vehicle.

13 21 (26) A vehicle repossessed by a financial institution or
13 22 an individual by means of a foreclosure affidavit pursuant to
13 23 the uniform commercial code, chapter 554, provided there is a
13 24 valid lien on the vehicle and the foreclosure affidavit is
13 25 used for the sole purpose of retaining possession of the
13 26 vehicle until a new buyer is found. However, if the financial
13 27 institution or individual uses the foreclosure affidavit to
13 28 take title to the vehicle and register the vehicle, the new
13 29 registration fee shall be due based on the outstanding loan
13 30 amount on the vehicle.

13 31 (27) A damaged vehicle acquired by an insurance company
13 32 from a client or financial institution, provided the insurance
13 33 company has a vehicle dealers license.

13 34 (28) A vehicle returned to a manufacturer and titled in

13 35 the manufacturer's name under section 322G.12.

14 1 (29) A vehicle purchased directly by a federal, state, or
14 2 local governmental agency and titled in an individual's name
14 3 pursuant to a governmental program authorized by law.

14 4 3. LEASED VEHICLES.

14 5 a. A fee for new registration is imposed in an amount
14 6 equal to five percent of the leased price for each vehicle
14 7 subject to registration with a gross vehicle weight rating of
14 8 less than sixteen thousand pounds, excluding motorcycles and
14 9 motorized bicycles, which is leased by a lessor licensed
14 10 pursuant to chapter 321F for a period of twelve months or
14 11 more. The fee for new registration shall be paid by the owner
14 12 of the vehicle to the county treasurer from whom the
14 13 registration receipt or certificate of title is obtained. A
14 14 registration receipt for a vehicle subject to registration or
14 15 issuance of a certificate of title shall not be issued until
14 16 the fee for new registration is paid in the initial instance.

14 17 b. The amount of the lease price subject to the fee for
14 18 new registration shall be computed on each separate lease
14 19 transaction by taking the total of the lease payments, plus
14 20 the down payment, and excluding the following charges, if
14 21 included as part of the lease payment:

14 22 (1) Title fee.

14 23 (2) Annual registration fees.

14 24 (3) Fee for new registration.

14 25 (4) Federal excise taxes attributable to the sale of the
14 26 vehicle to the owner or to the lease of the vehicle by the
14 27 owner.

14 28 (5) Optional service or warranty contracts subject to tax
14 29 pursuant to section 423.2, subsection 1.

14 30 (6) Insurance.

14 31 (7) Manufacturer's rebate.

14 32 (8) Refundable deposit.

14 33 (9) Finance charges, if any, on items listed in

14 34 subparagraphs (1) through (8).

14 35 c. If any or all of the items in paragraph "b",
15 1 subparagraphs (1) through (8), are excluded from the lease
15 2 price subject to the fee for new registration, the owner shall
15 3 maintain adequate records of the amounts of those items. If
15 4 the parties to a lease enter into an agreement providing that
15 5 the fee for new registration is to be paid by the lessee or
15 6 included in the monthly lease payments to be paid by the
15 7 lessee, the total cost of the fee for new registration shall
15 8 not be included in the computation of the lease price for the
15 9 purpose of the fee for new registration under this section.
15 10 The county treasurer or the department of transportation shall
15 11 require every applicant for a registration receipt for a
15 12 vehicle subject to a fee for new registration to supply
15 13 information as the county treasurer or the director deems
15 14 necessary as to the date of the lease transaction, the lease
15 15 price, and other information relative to the lease of the
15 16 vehicle.

15 17 d. On or before the tenth day of each month, the county
15 18 treasurer or the department of transportation shall remit to
15 19 the department of revenue the amount of the fees for new
15 20 registration collected during the preceding month.

15 21 e. If the lease is terminated prior to the termination
15 22 date contained in the lease agreement, no refund shall be
15 23 allowed for a fee for new registration previously paid under
15 24 this section, except as provided in section 322G.4.

15 25 4. ADMINISTRATION AND ENFORCEMENT == DIRECTOR OF REVENUE.

15 26 a. The director of revenue in consultation with the
15 27 department of transportation shall administer and enforce the
15 28 fee for new registration as nearly as possible in conjunction
15 29 with the administration and enforcement of the state use tax
15 30 law, except that portion of the law which implements the
15 31 streamlined sales and use tax agreement. The director shall
15 32 provide appropriate forms, or provide on the annual
15 33 registration forms provided by the department of
15 34 transportation, for reporting the fee for new registration
15 35 liability.

16 1 b. Section 422.25, subsection 4, sections 422.30, 422.67,
16 2 and 422.68, section 422.69, subsection 1, sections 422.70,
16 3 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection
16 4 2, and sections 423.23, 423.24, 423.25, 423.32, 423.33,
16 5 423.35, 423.37 through 423.42, 423.45, and 423.47, consistent
16 6 with the provisions of this section, apply with respect to the
16 7 fees for new registration authorized under this section in the
16 8 same manner and with the same effect as if the fees for new
16 9 registration were retail use taxes within the meaning of those
16 10 statutes.

16 11 5. COLLECTIONS BY LICENSED DEALERS.

16 12 a. A licensed vehicle dealer maintaining a place of
16 13 business in this state who sells a vehicle subject to
16 14 registration for use in this state shall collect the fee for
16 15 new registration at the time of making the sale. A dealer
16 16 required to collect the fee for new registration shall give to
16 17 the purchaser a receipt for the fee in the manner and form
16 18 prescribed by the director. Fees collected by a dealer under
16 19 this section shall be forwarded to the county treasurer in the
16 20 same manner as annual registration fees.

16 21 b. If an amount of the fee for new registration
16 22 represented by a dealer to the purchaser of a vehicle is
16 23 computed upon a purchase price that is not subject to the fee
16 24 for new registration or the amount represented is in excess of
16 25 the actual amount subject to the fee and the amount
16 26 represented is actually paid by the purchaser to the dealer,
16 27 the excess amount of fee for new registration paid shall be
16 28 returned to the purchaser upon notification to the dealer by
16 29 the department that an excess payment exists.

16 30 c. If an amount of the fee for new registration
16 31 represented by a dealer to a purchaser is computed upon a
16 32 purchase price that is not subject to the fee for new
16 33 registration or the amount represented is in excess of the
16 34 actual amount subject to the fee and the amount represented is
16 35 actually paid by the purchaser to the dealer, the excess
17 1 amount of fee for new registration paid shall be returned to
17 2 the purchaser upon proper notification to the dealer by the
17 3 purchaser that an excess payment exists. "Proper"
17 4 notification is written notification which allows a dealer at
17 5 least sixty days to respond and which contains enough
17 6 information to allow a dealer to determine the validity of a
17 7 purchaser's claim that an excess amount of fee for new
17 8 registration has been paid. No cause of action shall accrue
17 9 against a dealer for excess fee for new registration paid
17 10 until sixty days after proper notice has been given the dealer
17 11 by the purchaser.

17 12 d. In the circumstances described in paragraphs "b" and
17 13 "c", a dealer has the option to either return any excess
17 14 amount of fee for new registration paid to a purchaser, or to
17 15 remit the amount which a purchaser has paid to the dealer to
17 16 the department.

17 17 6. REFUNDS.

17 18 a. A fee for new registration is not refundable, except in
17 19 the following circumstances:

17 20 (1) If a vehicle is sold and later returned to the seller
17 21 and the entire purchase price is refunded by the seller, the
17 22 purchaser is entitled to a refund of the fee for new
17 23 registration paid. To obtain a refund, the purchaser shall
17 24 make application on forms provided by the department and show
17 25 proof that the entire purchase price was returned and that the
17 26 fee for new registration had been paid.

17 27 (2) If a vehicle manufacturer reimburses a purchaser for
17 28 the fee for new registration paid on a returned defective
17 29 vehicle, the manufacturer may obtain a refund from the
17 30 department by providing proof that the fee was paid and the
17 31 purchaser reimbursed in accordance with the provisions of
17 32 chapter 322G.

17 33 (3) If the department determines that, as a result of
17 34 mistake, an amount of the fee for new registration has been
17 35 paid which was not due, such amount shall be refunded to the
18 1 vehicle owner by the department.

18 2 b. A claim for refund under this subsection that has not
18 3 been filed with the department within one year after the fee
18 4 for new registration was paid shall not be allowed by the
18 5 director.

18 6 7. PENALTY FOR FALSE STATEMENT. A person who willfully
18 7 makes a false statement in regard to the purchase price of a
18 8 vehicle subject to a fee for new registration is guilty of a
18 9 fraudulent practice. A person who willfully makes a false
18 10 statement in regard to the purchase price of such a vehicle
18 11 with the intent to evade payment of the fee for new
18 12 registration shall be assessed a penalty of seventy-five
18 13 percent of the amount of the fee unpaid and required to be
18 14 paid on the actual purchase price less trade-in allowance.

18 15 DIVISION III

18 16 MOTOR VEHICLE USE TAX == REPEAL

18 17 Sec. 11. Section 423.6, subsections 8, 10, 11, 12, 16, 17,
18 18 18, 24, and 25, Code 2007, are amended by striking the
18 19 subsections.

18 20 Sec. 12. Section 423.14, subsection 2, paragraph a, Code
18 21 2007, is amended to read as follows:

18 22 a. The tax upon the use of all vehicles ~~subject to~~
~~18 23 registration or~~ subject only to the issuance of a certificate
18 24 of title or the tax upon the use of manufactured housing shall
18 25 be collected by the county treasurer or the state department
18 26 of transportation pursuant to ~~sections section~~ 423.26 and
~~18 27 423.27, subsection 1.~~ The county treasurer shall retain one
18 28 dollar from each tax payment collected, to be credited to the
18 29 county general fund.

18 30 Sec. 13. Section 423.26, Code 2007, is amended to read as
18 31 follows:

18 32 423.26 ~~VEHICLES SUBJECT TO REGISTRATION OR ONLY TO THE~~
18 33 ~~ISSUANCE OF TITLE == MANUFACTURED HOUSING == VEHICLE LEASE~~
18 34 ~~TRANSACTIONS NOT REQUIRING TITLE OR REGISTRATION.~~

18 35 1. a. The use tax imposed upon the use of vehicles
19 1 ~~subject to registration or~~ subject only to the issuance of a
19 2 certificate of title or imposed upon the use of manufactured
19 3 housing shall be paid by the owner of the vehicle or of the
19 4 manufactured housing to the county treasurer or the state
19 5 department of transportation from whom the ~~registration~~
~~19 6 receipt or~~ certificate of title is obtained. A ~~registration~~
~~19 7 receipt for a vehicle subject to registration or~~ certificate
19 8 of title shall not be issued until the tax has been paid. The
19 9 county treasurer or the state department of transportation
19 10 shall require every applicant for a ~~registration receipt for a~~
~~19 11 vehicle subject to registration or~~ certificate of title to
19 12 supply information as the county treasurer or the director
19 13 deems necessary as to the time of purchase, the purchase
19 14 price, installed purchase price, and other information
19 15 relative to the purchase of the vehicle or manufactured
19 16 housing. On or before the tenth day of each month, the county
19 17 treasurer or the state department of transportation shall
19 18 remit to the department the amount of the taxes collected
19 19 during the preceding month.

19 20 b. A person who willfully makes a false statement in
19 21 regard to the purchase price of a vehicle subject to taxation
19 22 under this ~~section~~ subsection is guilty of a fraudulent
19 23 practice. A person who willfully makes a false statement in
19 24 regard to the purchase price of such a vehicle with the intent
19 25 to evade the payment of tax shall be assessed a penalty of
19 26 seventy-five percent of the amount of tax unpaid and required
19 27 to be paid on the actual purchase price less trade-in
19 28 allowance.

19 29 2. a. The use tax imposed upon the use of leased vehicles
19 30 if the lease transaction does not require titling or
19 31 registration of the vehicle shall be remitted to the
19 32 department. Tax and the reporting of tax due to the
19 33 department shall be remitted on or before fifteen days from
19 34 the last day of the month that the tax becomes due. Failure
19 35 to timely report or remit any of the tax when due shall result
20 1 in a penalty and interest being imposed on the tax due
20 2 pursuant to section 423.40, subsection 1, and section 423.42,
20 3 subsection 1.

20 4 b. The amount subject to tax shall be computed on each
20 5 separate lease transaction by taking the total of the lease
20 6 payments, plus the down payment, and excluding all of the
20 7 following:

20 8 (1) Title fee.
20 9 (2) Registration fees.
20 10 (3) Use tax pursuant to this subsection.
20 11 (4) Federal excise taxes attributable to the sale of the
20 12 vehicle to the owner or to the lease of the vehicle by the
20 13 owner.

20 14 (5) Optional service or warranty contracts subject to tax
20 15 pursuant to section 423.2, subsection 1.

20 16 (6) Insurance.
20 17 (7) Manufacturer's rebate.
20 18 (8) Refundable deposit.
20 19 (9) Finance charges, if any, on items listed in
20 20 subparagraphs (1) through (8).

20 21 c. If any or all of the items in paragraph "b",
20 22 subparagraphs (1) through (8) are excluded from the taxable
20 23 lease price, the owner shall maintain adequate records of the
20 24 amounts of those items. If the parties to a lease enter into
20 25 an agreement providing that the tax imposed under this
20 26 subsection is to be paid by the lessee or included in the
20 27 monthly lease payments to be paid by the lessee, the total
20 28 cost of the tax shall not be included in the computation of
20 29 lease price for the purpose of taxation under this subsection.

20 30 Sec. 14. Section 423.43, Code Supplement 2007, is amended
20 31 by striking the section and inserting in lieu thereof the
20 32 following:

20 33 423.43 DEPOSIT OF REVENUES.

20 34 1. Except as provided in subsection 2, all revenue arising
20 35 under the operation of the use tax under subchapter III shall
21 1 be deposited into the general fund of the state.

21 2 2. All revenue derived from the use tax imposed pursuant
21 3 to section 423.26 shall be deposited into the road use tax
21 4 fund.

21 5 Sec. 15. Section 423.27, Code 2007, is repealed.

21 6 DIVISION IV
21 7 CONFORMING AMENDMENTS

21 8 Sec. 16. Section 29A.101A, subsection 5, Code Supplement
21 9 2007, is amended to read as follows:

21 10 5. Rents or lease amounts unpaid for the period preceding
21 11 the effective date of the lease termination shall be paid on a
21 12 prorated basis. In the case of a vehicle lease, the lessor
21 13 shall not impose an early termination charge, but any ~~taxes,~~
21 14 ~~summonses, and title and registration fees, including the fee~~
21 15 ~~for new registration,~~ and any other obligation and liability
21 16 of the lessee in accordance with the terms of the lease,
21 17 including reasonable charges to the lessee for excess wear,
21 18 use, and mileage, that are due and unpaid at the time of
21 19 termination of the lease shall be paid by the lessee.

21 20 Sec. 17. Section 321.17, Code 2007, is amended to read as
21 21 follows:

21 22 321.17 MISDEMEANOR TO VIOLATE REGISTRATION PROVISIONS.

21 23 It is a simple misdemeanor punishable as a scheduled
21 24 violation under section 805.8A, subsection 2, paragraph "b",
21 25 for any person to drive or move or for an owner knowingly to
21 26 permit to be driven or moved upon the highway a vehicle of a
21 27 type required to be registered under this chapter which is not
21 28 registered, or for which the appropriate ~~fee has~~ fees have not
21 29 been paid, except as provided in section 321.109, subsection
21 30 3.

21 31 Sec. 18. Section 321.19, subsection 1, unnumbered
21 32 paragraph 1, Code 2007, is amended to read as follows:

21 33 All vehicles owned or leased for a period of sixty days or
21 34 more by the government and used in the transaction of official
21 35 business by the representatives of foreign governments or by
22 1 officers, boards, or departments of the government of the
22 2 United States, and by the state, counties, municipalities and
22 3 other political subdivisions of the state including vehicles
22 4 used by an urban transit company operated by a municipality or
22 5 a regional transit system, and self-propelling vehicles used
22 6 neither for the conveyance of persons for hire, pleasure, or
22 7 business nor for the transportation of freight other than
22 8 those used by an urban transit company operated by a
22 9 municipality or a regional transit system, all fire trucks,
22 10 providing they are not owned and operated for a pecuniary
22 11 profit, and authorized emergency vehicles used only in
22 12 disaster relief owned and operated by an organization not
22 13 operated for pecuniary profit, are exempted from the payment
22 14 of the registration fees imposed by this chapter, except as
22 15 provided for urban transit companies in subsection 2, but are
22 16 not exempt from the penalties provided in this chapter.

22 17 Sec. 19. Section 321.20, subsection 1, paragraph a, Code
22 18 2007, is amended to read as follows:

22 19 a. The full legal name; social security number or Iowa
22 20 driver's license number or Iowa nonoperator's identification
22 21 card number; date of birth; bona fide residence; and mailing
22 22 address of the owner and of the lessee if the vehicle is being
22 23 leased. If the owner or lessee is a firm, association, or
22 24 corporation, the application shall contain the bona fide
22 25 business address and federal employer identification number of
22 26 the owner or lessee. Up to three owners' names may be listed
22 27 on the application. If the vehicle is a leased vehicle, the
22 28 application shall state whether the notice of registration
22 29 renewal shall be sent to the lessor or to the lessee and
22 30 whether the lessor or the lessee shall receive the
22 31 ~~registration fee~~ refund of the annual registration fee, if
22 32 any. Information relating to the lessee of a vehicle shall
22 33 not be required on an application for registration and a
22 34 certificate of title for a vehicle with a gross vehicle weight
22 35 rating of ten thousand pounds or more.

23 1 Sec. 20. Section 321.20, subsection 1, paragraph e, Code
23 2 2007, is amended to read as follows:

23 3 e. The amount of the fee for new registration to be paid
23 4 under section 321.105A or the amount of tax to be paid under
23 5 section 423.26, subsection 1.

23 6 Sec. 21. Section 321.20A, Code 2007, is amended to read as
23 7 follows:

23 8 321.20A CERTIFICATE OF TITLE AND REGISTRATION FEES ==

23 9 COMMERCIAL VEHICLES.

23 10 1. Notwithstanding other provisions of this chapter, the
23 11 owner of a commercial vehicle subject to the proportional
23 12 registration provisions of chapter 326 may make application to
23 13 the department or the appropriate county treasurer for a
23 14 certificate of title. The application for certificate of
23 15 title shall be made within thirty days of purchase or transfer
23 16 and shall be accompanied by a ten dollar title fee and the
23 17 appropriate ~~use tax fee for new registration~~. The department
23 18 or the county treasurer shall deliver the certificate of title
23 19 to the owner if there is no security interest. If there is a
23 20 security interest, the title, when issued, shall be delivered
23 21 to the first secured party. Delivery may be made using
23 22 electronic means.

23 23 2. An owner of more than fifty commercial vehicles subject
23 24 to the proportional registration provisions of chapter 326 who
23 25 is issued a certificate of title under this section shall not
23 26 be subject to annual registration fees until the commercial
23 27 vehicle is driven or moved upon the highways. The annual
23 28 registration fee due shall be prorated for the remaining
23 29 unexpired months of the registration year. Ownership of the
23 30 commercial vehicle shall not be transferred until annual
23 31 registration fees have been paid to the department.

23 32 Sec. 22. Section 321.23, subsection 3, Code 2007, is
23 33 amended to read as follows:

23 34 3. In the event an applicant for registration of a foreign
23 35 vehicle for which a certificate of title has been issued is
24 1 able to furnish evidence of being the registered owner of the
24 2 vehicle to the county treasurer of the owner's residence,
24 3 although unable to surrender such certificate of title, the
24 4 county treasurer may issue a registration receipt and plates
24 5 upon receipt of the required annual registration fee and the
24 6 fee for new registration fee but shall not issue a certificate
24 7 of title thereto. Upon surrender of the certificate of title
24 8 from the foreign state, the county treasurer shall issue a
24 9 certificate of title to the owner, or person entitled thereto,
24 10 of such vehicle as provided in this chapter. The owner of a
24 11 vehicle registered under this subsection shall not be required
24 12 to obtain a certificate of title in this state and may
24 13 transfer ownership of the vehicle to a motor vehicle dealer
24 14 licensed under chapter 322 if, at the time of the transfer,
24 15 the certificate of title is held by a secured party and the
24 16 dealer has forwarded to the secured party the sum necessary to
24 17 discharge the security interest pursuant to section 321.48,
24 18 subsection 1.

24 19 Sec. 23. Section 321.24, subsections 1, 3, and 10, Code
24 20 Supplement 2007, are amended to read as follows:

24 21 1. Upon receipt of the application for title and payment
24 22 of the required fees for a motor vehicle, trailer, or
24 23 semitrailer, the county treasurer or the department shall,
24 24 when satisfied as to the application's genuineness and
24 25 regularity, and, in the case of a mobile home or manufactured
24 26 home, that taxes are not owing under chapter 423 or 435, issue
24 27 a certificate of title and, except for a mobile home or
24 28 manufactured home, a registration receipt, and shall file the
24 29 application, the manufacturer's or importer's certificate, the
24 30 certificate of title, or other evidence of ownership, as
24 31 prescribed by the department. The registration receipt shall
24 32 be delivered to the owner and shall contain upon its face the
24 33 date issued, the name and address of the owner, the
24 34 registration number assigned to the vehicle, the amount of the
24 35 fee paid, ~~the amount of tax paid pursuant to section 423.26,~~
25 1 the type of fuel used, a description of the vehicle as
25 2 determined by the department, and a form for notice of
25 3 transfer of the vehicle. The name and address of any lessee
25 4 of the vehicle shall not be printed on the registration
25 5 receipt or certificate of title. Up to three owners may be
25 6 listed on the registration receipt and certificate of title.

25 7 3. The certificate of title shall contain upon its face
25 8 the identical information required upon the face of the
25 9 registration receipt. In addition, the certificate of title
25 10 shall contain a statement of the owner's title, the title
25 11 number assigned to the owner or owners of the vehicle, ~~the~~
25 12 ~~amount of tax paid pursuant to section 423.26,~~ the name and
25 13 address of the previous owner, and a statement of all security
25 14 interests and encumbrances as shown in the application, upon
25 15 the vehicle described, including the nature of the security
25 16 interest, date of perfection, and name and address of the
25 17 secured party.

25 18 10. A vehicle shall be registered for the registration
25 19 year. A vehicle registered for the first time in this state

25 20 shall be registered for the remaining unexpired months of the
25 21 registration year and pay ~~a~~ an annual registration fee
25 22 prorated for the remaining unexpired months of the
25 23 registration year plus a fee for new registration if
25 24 applicable pursuant to section 321.105A. Except for a vehicle
25 25 registered under chapter 326, a vehicle registered for the
25 26 first time during the eleventh month of the owner's
25 27 registration year may be registered for the remaining
25 28 unexpired months of the registration year as provided in this
25 29 paragraph or for the remaining unexpired months of the
25 30 registration year and for the next registration year, upon
25 31 payment of the applicable registration fees.

25 32 Sec. 24. Section 321.26, subsection 2, Code 2007, is
25 33 amended to read as follows:

25 34 2. The county treasurer may adjust the renewal or
25 35 expiration date of vehicles when deemed necessary to equalize
26 1 the number of vehicles registered in each twelve-month period
26 2 or for the administrative efficiency of the county treasurer's
26 3 office. The adjustment shall be accomplished by delivery of a
26 4 written notice to the vehicle owner of the adjustment and
26 5 allowance of a credit for the remaining months of the unused
26 6 portion of the annual registration fee, rounded to the nearest
26 7 whole dollar, which amount shall be deducted from the annual
26 8 registration fee due at the time of registration. Upon
26 9 receipt of the notification the owner shall, within thirty
26 10 days, surrender the registration card and registration plates
26 11 to the county treasurer of the county where the vehicle is
26 12 registered, except that the registration plates shall not be
26 13 surrendered if validation stickers or other emblems are used
26 14 to designate the month and year of expiration of registration.
26 15 Upon payment of the annual registration fee, less the credit
26 16 allowed for the remaining months of the unused portion of the
26 17 annual registration fee, the county treasurer shall issue a
26 18 new registration card and registration plates, validation
26 19 stickers, or emblems which indicate the month and year of
26 20 expiration of registration.

26 21 Sec. 25. Section 321.30, subsection 1, paragraphs e and f,
26 22 Code Supplement 2007, are amended to read as follows:

26 23 e. That the required ~~fee has~~ registration fees have not
26 24 been paid except as provided in section 321.48.

26 25 f. ~~That~~ For a vehicle subject only to a certificate of
26 26 title or a manufactured home, that the required use tax has
26 27 not been paid.

26 28 Sec. 26. Section 321.30, subsection 3, paragraph b, Code
26 29 Supplement 2007, is amended to read as follows:

26 30 b. If the applicant for registration of the vehicle has
26 31 failed to pay the required annual registration ~~fees~~ fee or the
26 32 fee for new registration of any vehicle owned or previously
26 33 owned when the ~~registration~~ fee was required to be paid by the
26 34 applicant, and for which vehicle the registration was
26 35 suspended or revoked under section 321.101, subsection 1,
27 1 paragraph "d", or section 321.101A, until the ~~fees are~~ fee is
27 2 paid together with any accrued penalties.

27 3 Sec. 27. Section 321.34, subsection 2, unnumbered
27 4 paragraph 1, Code Supplement 2007, is amended to read as
27 5 follows:

27 6 In lieu of issuing new registration plates each
27 7 registration year for a vehicle renewing registration, the
27 8 department may reassign the registration plates previously
27 9 issued to the vehicle and may adopt and prescribe an annual
27 10 validation sticker indicating payment of annual registration
27 11 fees. The department shall issue one validation sticker for
27 12 each set of registration plates. The sticker shall specify
27 13 the month and year of expiration of the registration plates.
27 14 The sticker shall be displayed only on the rear registration
27 15 plate, except that the sticker shall be displayed on the front
27 16 registration plate of a truck tractor.

27 17 Sec. 28. Section 321.34, subsection 5, paragraphs b and c,
27 18 Code Supplement 2007, is amended to read as follows:

27 19 b. The county treasurer shall validate personalized
27 20 registration plates in the same manner as regular registration
27 21 plates are validated under this section at an annual fee of
27 22 five dollars in addition to the regular annual registration
27 23 fee. A person renewing a personalized registration plate
27 24 within one month following the time requirements under section
27 25 321.40 may renew the personalized plate without paying the
27 26 additional registration fee under paragraph "a" but shall pay
27 27 the five-dollar fee in addition to the regular annual
27 28 registration fee and any penalties subject to regular
27 29 registration plate holders for late renewal.

27 30 c. The fees collected by the director under this ~~section~~

27 31 subsection shall be paid to the treasurer of state and
27 32 credited by the treasurer of state as provided in section
27 33 321.145.

27 34 Sec. 29. Section 321.34, subsection 7, paragraph c, Code
27 35 Supplement 2007, is amended to read as follows:

28 1 c. (1) The fees for a collegiate registration plate are
28 2 as follows:

28 3 ~~(1)~~ (a) A registration fee of twenty-five dollars.

28 4 ~~(2)~~ (b) A special collegiate registration fee of
28 5 twenty-five dollars.

28 6 (2) These fees are in addition to the regular annual
28 7 registration fee. The fees collected by the director under
28 8 this subsection shall be paid monthly to the treasurer of
28 9 state and ~~credited by the treasurer of state to deposited in~~
28 10 ~~the road use tax fund. Notwithstanding section 423.43 and~~
~~28 11 prior to the revenues being credited to the road use tax fund~~
~~28 12 under section 423.43, subsection 1, paragraph "b", the The~~
28 13 treasurer of state shall credit monthly from ~~those revenues~~
~~28 14 respectively the revenues available for purposes of this~~

~~28 15 subsection under section 321.145, subsection 2, to Iowa state~~
28 16 university of science and technology, the university of
28 17 northern Iowa, and the state university of Iowa respectively,
28 18 the amount of the special collegiate registration fees
28 19 collected in the previous month for collegiate registration
28 20 plates designed for the university. The moneys credited are
28 21 appropriated to the respective universities to be used for
28 22 scholarships for students attending the universities.

28 23 Sec. 30. Section 321.34, subsection 10, paragraph c, Code
28 24 Supplement 2007, is amended to read as follows:

28 25 c. The special fees collected by the director under this
28 26 subsection shall be paid monthly to the treasurer of state and
28 27 ~~credited to deposited in~~ the road use tax fund.

~~28 28 Notwithstanding section 423.43, and prior to the crediting of~~
~~28 29 revenues to the road use tax fund under section 423.43,~~
~~28 30 subsection 1, paragraph "b", the The~~ treasurer of state shall
28 31 transfer monthly from ~~those revenues~~ the revenues available
28 32 for purposes of this subsection under section 321.145,

~~28 33 subsection 2,~~ to the Paul Ryan memorial fire fighter safety
28 34 training fund created pursuant to section 100B.12 the amount
28 35 of the special fees collected in the previous month for the
29 1 fire fighter plates.

29 2 Sec. 31. Section 321.34, subsection 10A, paragraph b, Code
29 3 Supplement 2007, is amended to read as follows:

29 4 b. The special fees collected by the director under this
29 5 subsection shall be paid monthly to the treasurer of state and
29 6 ~~credited to deposited in~~ the road use tax fund.

~~29 7 Notwithstanding section 423.43, and prior to the crediting of~~
~~29 8 revenues to the road use tax fund under section 423.43,~~
~~29 9 subsection 1, paragraph "b", the The~~ treasurer of state shall
29 10 transfer monthly from ~~those revenues~~ the revenues available
29 11 for purposes of this subsection under section 321.145,

~~29 12 subsection 2,~~ to the emergency medical services fund created
29 13 in section 135.25 the amount of the special fees collected in
29 14 the previous month for issuance of emergency medical services
29 15 plates.

29 16 Sec. 32. Section 321.34, subsection 11, paragraph c, Code
29 17 Supplement 2007, is amended to read as follows:

29 18 c. (1) The special natural resources fee for letter
29 19 number designated natural resources plates is forty-five
29 20 dollars. The fee for personalized natural resources plates is
29 21 forty-five dollars which shall be paid in addition to the
29 22 special natural resources fee of forty-five dollars. The fees
29 23 collected by the director under this subsection shall be paid
29 24 monthly to the treasurer of state and ~~credited to deposited in~~
29 25 the road use tax fund. ~~Notwithstanding section 423.43, and~~

~~29 26 prior to the crediting of revenues to the road use tax fund~~
~~29 27 under section 423.43, subsection 1, paragraph "b", the The~~
29 28 treasurer of state shall credit monthly from ~~those revenues~~
29 29 the revenues available for purposes of this subsection under
29 30 section 321.145, subsection 2, to the Iowa resources

29 31 enhancement and protection fund created pursuant to section
29 32 455A.18, the amount of the special natural resources fees
29 33 collected in the previous month for the natural resources
29 34 plates.

29 35 (2) From the moneys credited to the Iowa resources
30 1 enhancement and protection fund under ~~this paragraph "c",~~
30 2 subparagraph (1), ten dollars of the fee collected for each
30 3 natural resources plate issued, and fifteen dollars from each
30 4 renewal fee, shall be allocated to the department of natural
30 5 resources wildlife bureau to be used for nongame wildlife
30 6 programs.

30 7 Sec. 33. Section 321.34, subsection 11A, paragraph c, Code
30 8 Supplement 2007, is amended to read as follows:

30 9 c. The special fee for letter number designated love our
30 10 kids plates is thirty=five dollars. The fee for personalized
30 11 love our kids plates is twenty=five dollars, which shall be
30 12 paid in addition to the special love our kids fee of
30 13 thirty=five dollars. The fees collected by the director under
30 14 this subsection shall be paid monthly to the treasurer of
30 15 state and ~~credited to~~ deposited in the road use tax fund.
30 16 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~30 17 revenues to the road use tax fund under section 423.43,~~
30 18 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
30 19 transfer monthly from ~~those revenues~~ the revenues available
30 20 for purposes of this subsection under section 321.145,
30 21 subsection 2, to the Iowa department of public health the
30 22 amount of the special fees collected in the previous month for
30 23 the love our kids plates. Notwithstanding section 8.33,
30 24 moneys transferred under this subsection shall not revert to
30 25 the general fund of the state.

30 26 Sec. 34. Section 321.34, subsection 11B, paragraph c, Code
30 27 Supplement 2007, is amended to read as follows:

30 28 c. The special fee for letter number designated motorcycle
30 29 rider education plates is thirty=five dollars. The fee for
30 30 personalized motorcycle rider education plates is twenty=five
30 31 dollars, which shall be paid in addition to the special
30 32 motorcycle rider education fee of thirty=five dollars. The
30 33 fees collected by the director under this subsection shall be
30 34 paid monthly to the treasurer of state and ~~credited to~~
30 35 deposited in the road use tax fund. ~~Notwithstanding section~~
~~31 1 423.43, and prior to the crediting of revenues to the road use~~
~~31 2 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~31 3 the~~ The treasurer of state shall transfer monthly from ~~those~~
~~31 4 revenues~~ the revenues available for purposes of this
31 5 subsection under section 321.145, subsection 2, to the

31 6 department for use in accordance with section 321.180B,
31 7 subsection 6, the amount of the special fees collected in the
31 8 previous month for the motorcycle rider education plates.

31 9 Sec. 35. Section 321.34, subsection 13, paragraph d, Code
31 10 Supplement 2007, is amended to read as follows:

31 11 d. A state agency may submit a request to the department
31 12 recommending a special registration plate. The alternate fee
31 13 for letter number designated plates is thirty=five dollars
31 14 with a ten dollar annual special renewal fee. The fee for
31 15 personalized plates is twenty=five dollars which is in
31 16 addition to the alternative fee of thirty=five dollars with an
31 17 annual personalized plate renewal fee of five dollars which is
31 18 in addition to the special renewal fee of ten dollars. The
31 19 alternate fees are in addition to the regular annual
31 20 registration fee. The alternate fees collected under this
31 21 paragraph shall be paid monthly to the treasurer of state and
31 22 ~~credited to~~ deposited in the road use tax fund.

31 23 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~31 24 the revenues to the road use tax fund under section 423.43,~~
~~31 25 subsection 1, paragraph "b", the~~ The treasurer of state shall
31 26 credit monthly from ~~the revenues available for purposes of~~
31 27 this subsection under section 321.145, subsection 2, the

31 28 amount of the alternate fees collected in the previous month
31 29 to the state agency that recommended the special registration
31 30 plate.

31 31 Sec. 36. Section 321.34, subsection 16, unnumbered
31 32 paragraph 1, Code Supplement 2007, is amended to read as
31 33 follows:

31 34 An owner referred to in subsection 12 who is a member of
31 35 the national guard, as defined in chapter 29A, may, upon
32 1 written application to the department, order special
32 2 registration plates with a national guard processed emblem
32 3 with the emblem designed by the department in cooperation with
32 4 the adjutant general which emblem signifies that the applicant
32 5 is a member of the national guard. The application shall be
32 6 approved by the department in consultation with the adjutant
32 7 general. The special plate fees collected by the director
32 8 under subsection 12, paragraph "a", from the issuance and
32 9 annual validation of letter=number designated and personalized
32 10 national guard plates shall be paid monthly to the treasurer
32 11 of state and ~~credited to~~ deposited in the road use tax fund.
32 12 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~32 13 revenues to the road use tax fund under section 423.43,~~
~~32 14 subsection 1, paragraph "b", the~~ The treasurer of state shall
32 15 transfer monthly from ~~those revenues~~ the revenues available
32 16 for purposes of this subsection under section 321.145,
32 17 subsection 2, to the veterans license fee fund created in

32 18 section 35A.11 the amount of the special fees collected in the
32 19 previous month for national guard plates. Special
32 20 registration plates with a national guard processed emblem
32 21 shall be surrendered, as provided in subsection 12, in
32 22 exchange for regular registration plates upon termination of
32 23 the owner's membership in the active national guard.

32 24 Sec. 37. Section 321.34, subsection 17, unnumbered
32 25 paragraph 1, Code Supplement 2007, is amended to read as
32 26 follows:

32 27 An owner referred to in subsection 12 who was at Pearl
32 28 Harbor, Hawaii, as a member of the armed services of the
32 29 United States on December 7, 1941, may, upon written
32 30 application to the department, order special registration
32 31 plates with a Pearl Harbor processed emblem. The emblem shall
32 32 be designed by the department in consultation with service
32 33 organizations. The application is subject to approval by the
32 34 department. The special plate fees collected by the director
32 35 under subsection 12, paragraph "a", from the issuance and
33 1 annual validation of letter-number designated and personalized
33 2 Pearl Harbor plates shall be paid monthly to the treasurer of
33 3 state and credited to deposited in the road use tax fund.

~~33 4 Notwithstanding section 423.43, and prior to the crediting of~~
~~33 5 revenues to the road use tax fund under section 423.43,~~
~~33 6 subsection 1, paragraph "b", the The treasurer of state shall~~
33 7 transfer monthly from ~~those revenues~~ the revenues available
~~33 8 for purposes of this subsection under section 321.145,~~

~~33 9 subsection 2,~~ to the veterans license fee fund created in
33 10 section 35A.11 the amount of the special fees collected in the
33 11 previous month for Pearl Harbor plates.

33 12 Sec. 38. Section 321.34, subsection 18, unnumbered
33 13 paragraph 1, Code Supplement 2007, is amended to read as
33 14 follows:

33 15 An owner referred to in subsection 12 who was awarded a
33 16 purple heart medal by the United States government for wounds
33 17 received in military or naval combat against an armed enemy of
33 18 the United States may, upon written application to the
33 19 department and presentation of satisfactory proof of the award
33 20 of the purple heart medal, order special registration plates
33 21 with a purple heart processed emblem. The design of the
33 22 emblem shall include a representation of a purple heart medal
33 23 and ribbon. The application is subject to approval by the
33 24 department in consultation with the adjutant general. The
33 25 special plate fees collected by the director under subsection
33 26 12, paragraph "a", from the issuance and annual validation of
33 27 letter-number designated and personalized purple heart plates
33 28 shall be paid monthly to the treasurer of state and credited

~~33 29 to deposited in the road use tax fund. Notwithstanding~~
~~33 30 section 423.43, and prior to the crediting of revenues to the~~
~~33 31 road use tax fund under section 423.43, subsection 1,~~
~~33 32 paragraph "b", the The treasurer of state shall transfer~~
33 33 monthly from ~~those revenues~~ the revenues available for
~~33 34 purposes of this subsection under section 321.145, subsection~~

~~33 35 2,~~ to the veterans license fee fund created in section 35A.11
34 1 the amount of the special fees collected in the previous month
34 2 for purple heart plates.

34 3 Sec. 39. Section 321.34, subsection 19, unnumbered
34 4 paragraph 1, Code Supplement 2007, is amended to read as
34 5 follows:

34 6 An owner referred to in subsection 12 who is a retired
34 7 member of the United States armed forces may, upon written
34 8 application to the department and upon presentation of
34 9 satisfactory proof of membership, order special registration
34 10 plates with a United States armed forces retired processed
34 11 emblem. The emblem shall be designed by the department in
34 12 consultation with service organizations. The application is
34 13 subject to approval by the department. For purposes of this
34 14 subsection, a person is considered to be retired if the person
34 15 is recognized by the United States armed forces as retired
34 16 from the United States armed forces. The special plate fees
34 17 collected by the director under subsection 12, paragraph "a",
34 18 from the issuance and annual validation of letter-number
34 19 designated and personalized armed forces retired plates shall
34 20 be paid monthly to the treasurer of state and credited to

~~34 21 deposited in the road use tax fund. Notwithstanding section~~
~~34 22 423.43, and prior to the crediting of revenues to the road use~~
~~34 23 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~34 24 the The treasurer of state shall transfer monthly from those~~
~~34 25 revenues the revenues available for purposes of this~~

~~34 26 subsection under section 321.145, subsection 2,~~ to the
34 27 veterans license fee fund created in section 35A.11 the amount
34 28 of the special fees collected in the previous month for armed

34 29 forces retired plates.

34 30 Sec. 40. Section 321.34, subsection 20, unnumbered
34 31 paragraph 1, Code Supplement 2007, is amended to read as
34 32 follows:

34 33 An owner referred to in subsection 12 who was awarded a
34 34 silver or a bronze star by the United States government, may,
34 35 upon written application to the department and presentation of
35 1 satisfactory proof of the award of the silver or bronze star,
35 2 order special registration plates with a silver or bronze star
35 3 processed emblem. The emblem shall be designed by the
35 4 department in consultation with the adjutant general. The
35 5 special plate fees collected by the director under subsection
35 6 12, paragraph "a", from the issuance and annual validation of
35 7 letter-number designated and personalized silver star and
35 8 bronze star plates shall be paid monthly to the treasurer of
35 9 state and ~~credited to~~ deposited in the road use tax fund.
35 10 ~~Notwithstanding section 423.43, and prior to the crediting of~~
35 11 ~~revenues to the road use tax fund under section 423.43,~~
35 12 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
35 13 transfer monthly from ~~those revenues~~ the revenues available
35 14 for purposes of this subsection under section 321.145,
35 15 subsection 2, to the veterans license fee fund created in
35 16 section 35A.11 the amount of the special fees collected in the
35 17 previous month for silver star and bronze star plates.

35 18 Sec. 41. Section 321.34, subsection 20A, unnumbered
35 19 paragraph 1, Code Supplement 2007, is amended to read as
35 20 follows:

35 21 An owner referred to in subsection 12 who was awarded a
35 22 distinguished service cross, a navy cross, or an air force
35 23 cross by the United States government may, upon written
35 24 application to the department and presentation of satisfactory
35 25 proof of the award, order special registration plates with a
35 26 distinguished service cross, navy cross, or air force cross
35 27 processed emblem. The emblem shall be designed by the
35 28 department in consultation with the adjutant general. The
35 29 special plate fees collected by the director under subsection
35 30 12, paragraph "a", from the issuance and annual validation of
35 31 letter-number designated and personalized distinguished
35 32 service cross, navy cross, and air force cross plates shall be
35 33 paid monthly to the treasurer of state and ~~credited to~~
35 34 deposited in the road use tax fund. ~~Notwithstanding section~~
35 35 ~~423.43, and prior to the crediting of revenues to the road use~~
36 1 ~~tax fund under section 423.43, subsection 1, paragraph "b",~~
36 2 ~~the~~ The treasurer of state shall transfer monthly from ~~those~~
36 3 ~~revenues~~ the revenues available for purposes of this
36 4 subsection under section 321.145, subsection 2, to the
36 5 veterans license fee fund created in section 35A.11 the amount
36 6 of the special fees collected in the previous month for
36 7 distinguished service cross, navy cross, and air force cross
36 8 plates.

36 9 Sec. 42. Section 321.34, subsection 20B, unnumbered
36 10 paragraph 1, Code Supplement 2007, is amended to read as
36 11 follows:

36 12 An owner referred to in subsection 12 who was awarded a
36 13 soldier's medal, a navy and marine corps medal, or an airman's
36 14 medal by the United States government may, upon written
36 15 application to the department and presentation of satisfactory
36 16 proof of the award, order special registration plates with a
36 17 soldier's medal, navy and marine corps medal, or airman's
36 18 medal processed emblem. The emblem shall be designed by the
36 19 department in consultation with the adjutant general. The
36 20 special plate fees collected by the director under subsection
36 21 12, paragraph "a", from the issuance and annual validation of
36 22 letter-number designated and personalized soldier's medal,
36 23 navy and marine corps medal, and airman's medal plates shall
36 24 be paid monthly to the treasurer of state and ~~credited to~~
36 25 deposited in the road use tax fund. ~~Notwithstanding section~~
36 26 ~~423.43, and prior to the crediting of revenues to the road use~~
36 27 ~~tax fund under section 423.43, subsection 1, paragraph "b",~~
36 28 ~~the~~ The treasurer of state shall transfer monthly from ~~those~~
36 29 ~~revenues~~ the revenues available for purposes of this
36 30 subsection under section 321.145, subsection 2, to the
36 31 veterans license fee fund created in section 35A.11 the amount
36 32 of the special fees collected in the previous month for
36 33 soldier's medal, navy and marine corps medal, and airman's
36 34 medal plates.

36 35 Sec. 43. Section 321.34, subsection 21, paragraph c, Code
37 1 Supplement 2007, is amended to read as follows:

37 2 c. The special fees collected by the director under this
37 3 subsection shall be paid monthly to the treasurer of state and
37 4 ~~credited to~~ deposited in the road use tax fund.

~~37 5 Notwithstanding section 423.43, and prior to the crediting of~~
~~37 6 revenues to the road use tax fund under section 423.43,~~
~~37 7 subsection 1, paragraph "b", the The treasurer of state shall~~
~~37 8 credit monthly from the revenues available for purposes of~~
~~37 9 this subsection under section 321.145, subsection 2, to the~~
37 10 Iowa heritage fund created under section 303.9A the amount of
37 11 the special fees collected in the previous month for the Iowa
37 12 heritage plates.

37 13 Sec. 44. Section 321.34, subsection 22, paragraph b, Code
37 14 Supplement 2007, is amended to read as follows:

37 15 b. The special school transportation fee for letter number
37 16 designated education plates is thirty=five dollars. The fee
37 17 for personalized education plates is twenty=five dollars,
37 18 which shall be paid in addition to the special school
37 19 transportation fee of thirty=five dollars. The annual special
37 20 school transportation fee is ten dollars for letter number
37 21 designated registration plates and is fifteen dollars for
37 22 personalized registration plates which shall be paid in
37 23 addition to the regular annual registration fee. The fees
37 24 collected by the director under this subsection shall be paid
37 25 monthly to the treasurer of state and ~~credited to~~ deposited in
37 26 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~37 27 prior to the crediting of revenues to the road use tax fund~~
~~37 28 under section 423.43, subsection 1, paragraph "b", the The~~
37 29 treasurer of state shall transfer monthly from ~~those revenues~~
37 30 the revenues available for purposes of this subsection under
37 31 section 321.145, subsection 2, to the school budget review
37 32 committee in accordance with section 257.31, subsection 17,
37 33 the amount of the special school transportation fees collected
37 34 in the previous month for the education plates.

37 35 Sec. 45. Section 321.34, subsection 23, paragraph c, Code
38 1 Supplement 2007, is amended to read as follows:

38 2 c. The special fee for letter number designated breast
38 3 cancer awareness plates is thirty=five dollars. The fee for
38 4 personalized breast cancer awareness plates is twenty=five
38 5 dollars, which shall be paid in addition to the special breast
38 6 cancer awareness fee of thirty=five dollars. The fees
38 7 collected by the director under this subsection shall be paid
38 8 monthly to the treasurer of state and ~~credited to~~ deposited in
38 9 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~38 10 prior to the crediting of revenues to the road use tax fund~~
~~38 11 under section 423.43, subsection 1, paragraph "b", the The~~
38 12 treasurer of state shall transfer monthly from ~~those revenues~~
38 13 the revenues available for purposes of this subsection under
38 14 section 321.145, subsection 2, to the Iowa department of
38 15 public health the amount of the special fees collected in the
38 16 previous month for the breast cancer awareness plates and such
38 17 funds are appropriated to the Iowa department of public
38 18 health. The Iowa department of public health shall distribute
38 19 one hundred percent of the funds received monthly in the form
38 20 of grants to support breast cancer screenings for both men and
38 21 women who meet eligibility requirements like those established
38 22 by the Susan G. Komen foundation. In the awarding of grants,
38 23 the Iowa department of public health shall give first
38 24 consideration to affiliates of the Susan G. Komen foundation
38 25 and similar nonprofit organizations providing for breast
38 26 cancer screenings at no cost in Iowa. Notwithstanding section
38 27 8.33, moneys transferred under this subsection shall not
38 28 revert to the general fund of the state.

38 29 Sec. 46. Section 321.34, subsection 24, Code Supplement
38 30 2007, is amended to read as follows:

38 31 24. GOLD STAR PLATES. An owner referred to in subsection
38 32 12 who is the surviving spouse, parent, child, or sibling of a
38 33 deceased member of the United States armed forces who died
38 34 while serving on active duty during a time of military
38 35 conflict may order special registration plates bearing a gold
39 1 star emblem upon written application to the department
39 2 accompanied by satisfactory supporting documentation as
39 3 determined by the department. The gold star emblem shall be
39 4 designed by the department in cooperation with the commission
39 5 of veterans affairs. The special plate fees collected by the
39 6 director under subsection 12, paragraph "a", from the issuance
39 7 and annual validation of letter=number designated and
39 8 personalized gold star plates shall be paid monthly to the
39 9 treasurer of state and ~~credited to~~ deposited in the road use
39 10 tax fund. ~~Notwithstanding section 423.43, and prior to the~~
~~39 11 crediting of revenues to the road use tax fund under section~~
~~39 12 423.43, subsection 1, paragraph "b", the The treasurer of~~
39 13 state shall transfer monthly from ~~those revenues~~ the revenues
39 14 available for purposes of this subsection under section
39 15 321.145, subsection 2, to the veterans license fee fund

39 16 created in section 35A.11 the amount of the special fees
39 17 collected in the previous month for gold star plates.
39 18 Sec. 47. Section 321.39, subsections 3 and 4, Code 2007,
39 19 are amended to read as follows:

39 20 3. For vehicles on which the first installment of an
39 21 annual registration fee has been paid, at midnight on the last
39 22 day of June or the first business day of July when June 30
39 23 falls on Saturday, Sunday, or a holiday; for vehicles on which
39 24 the second installment of an annual registration fee has been
39 25 paid, at midnight on the last day of December or the first
39 26 business day of January when December 31 falls on Saturday,
39 27 Sunday, or a holiday.

39 28 4. For vehicles registered without payment of annual
39 29 registration fees as provided in section 321.19, when
39 30 designated by the department.

39 31 5. Registration for every vehicle registered by the county
39 32 treasurer shall expire upon transfer of ownership.

39 33 Sec. 48. Section 321.40, subsection 1, Code Supplement
39 34 2007, is amended to read as follows:

39 35 1. Application for renewal of a vehicle registration shall
40 1 be made on or after the first day of the month prior to the
40 2 month of expiration of registration and up to and including
40 3 the last day of the month following the month of expiration of
40 4 registration. The registration shall be renewed upon payment
40 5 of the appropriate annual registration fee. Application for
40 6 renewal for a vehicle registered under chapter 326 shall be
40 7 made on or after the first day of the month of expiration of
40 8 registration and up to and including the last day of the month
40 9 following the month of expiration of registration.

40 10 Sec. 49. Section 321.46, subsections 2, 3, 4, 6, and 7,
40 11 Code 2007, are amended to read as follows:

40 12 2. Upon filing the application for a new registration and
40 13 a new title, the applicant shall pay a title fee of ten
40 14 dollars ~~and a~~, an annual registration fee prorated for the
40 15 remaining unexpired months of the registration year, and a fee
40 16 for new registration if applicable. A manufacturer applying

40 17 for a certificate of title pursuant to section 322G.12 shall
40 18 pay a title fee of two dollars. However, a title fee shall
40 19 not be charged to a manufacturer or mobile home retailer
40 20 applying for a certificate of title for a used mobile home or
40 21 manufactured home, titled in Iowa, as required under section
40 22 321.45, subsection 4. The county treasurer, if satisfied of
40 23 the genuineness and regularity of the application, and in the
40 24 case of a mobile home or manufactured home, that taxes are not
40 25 owing under chapter 435, and that applicant has complied with
40 26 all the requirements of this chapter, shall issue a new
40 27 certificate of title and, except for a mobile home,
40 28 manufactured home, or a vehicle returned to and accepted by a
40 29 manufacturer as described in section 322G.12, a registration
40 30 card to the purchaser or transferee, shall cancel the prior
40 31 registration for the vehicle, and shall forward the necessary
40 32 copies to the department on the date of issuance, as
40 33 prescribed in section 321.24. Mobile homes or manufactured
40 34 homes titled under chapter 448 that have been subject under
40 35 section 446.18 to a public bidder sale in a county shall be
41 1 titled in the county's name, with no fee, and the county
41 2 treasurer shall issue the title.

41 3 3. The applicant shall be entitled to a credit for that
41 4 portion of the annual registration fee of the vehicle sold,
41 5 traded, or junked which had not expired prior to the transfer
41 6 of ownership of the vehicle. The annual registration fee for
41 7 the new registration for the vehicle acquired shall be reduced
41 8 by the amount of the credit. The credit shall be computed on
41 9 the basis of the number of months remaining in the
41 10 registration year, rounded to the nearest whole dollar. The
41 11 credit shall be subject to the following limitations:

41 12 a. The credit shall be claimed within thirty days from the
41 13 date the vehicle for which credit is granted was sold,
41 14 transferred, or junked. After thirty days, all credits shall
41 15 be disallowed.

41 16 b. Any credit granted to the owner of a vehicle which has
41 17 been sold, traded, or junked may only be claimed by that
41 18 person toward the annual registration fee for another vehicle
41 19 purchased and the credit may not be sold, transferred, or
41 20 assigned to any other person.

41 21 c. When the amount of the credit is computed to be an
41 22 amount of less than ten dollars, a credit shall be disallowed.

41 23 d. To claim a credit for the unexpired annual registration
41 24 fee on a junked vehicle, the county treasurer shall disallow
41 25 any claim for credit unless the owner presents a junking
41 26 certificate or other evidence as required by the department to

41 27 the county treasurer.

41 28 e. A credit shall not be allowed to any person who has
41 29 made claim to receive a refund under section 321.126.

41 30 f. If the credit allowed exceeds the amount of the annual
41 31 registration fee for the vehicle acquired, the owner may claim
41 32 a refund under section 321.126, subsection 6, for the balance
41 33 of the credit.

41 34 g. The credit shall be computed on the unexpired number of
41 35 months computed from the date of purchase of the vehicle
42 1 acquired.

42 2 4. If the annual registration fee upon application is
42 3 delinquent, the applicant shall be required to pay the
42 4 delinquent fee from the first day the annual registration fee
42 5 was due prorated to the month of application for new title.

42 6 6. An applicant for a new registration for a vehicle
42 7 transferred to the applicant by a spouse, parent, or child of
42 8 the applicant, or by operation of law upon inheritance, devise
42 9 or bequest, from the applicant's spouse, parent, or child, or
42 10 by a former spouse pursuant to a decree of dissolution of
42 11 marriage, is entitled to a credit to be applied to the annual
42 12 registration fee for the transferred vehicle. A credit shall
42 13 not be allowed unless the vehicle to which the credit applies
42 14 is registered within the time specified under subsection 1.
42 15 The credit shall be computed on the basis of the number of
42 16 unexpired months remaining in the registration year of the
42 17 former owner computed from the date the vehicle was
42 18 transferred, computed to the nearest whole dollar. The credit
42 19 may exceed the amount of the annual registration fee for the
42 20 transferred vehicle. When the amount of the credit is
42 21 computed to be an amount of less than ten dollars, the credit
42 22 shall be disallowed. The credit shall not be sold,
42 23 transferred, or assigned to any other person.

42 24 7. If a motor vehicle is leased and the lessee purchases
42 25 the vehicle upon termination of the lease, the lessor shall,
42 26 upon claim by the lessee with the lessor within thirty days of
42 27 the purchase, assign the annual registration fee credit and
42 28 registration plates for the leased motor vehicle to the
42 29 lessee. Credit shall be applied as provided in subsection 3.

42 30 Sec. 50. Section 321.46A, Code 2007, is amended to read as
42 31 follows:

42 32 321.46A CHANGE FROM PROPORTIONAL REGISTRATION == CREDIT.

42 33 An owner changing a vehicle's registration from
42 34 proportional registration under chapter 326 to registration
42 35 under this chapter shall be entitled to a credit on the
43 1 vehicle's annual registration fees under this chapter. The
43 2 credit shall be allowed when the owner surrenders to the
43 3 county treasurer proof of proportional registration provided
43 4 by the department. The amount of the credit shall be
43 5 calculated based on the unexpired complete calendar months
43 6 remaining in the registration year from the date the
43 7 application is filed with the county treasurer.

43 8 Sec. 51. Section 321.52, subsections 1 and 3, Code
43 9 Supplement 2007, are amended to read as follows:

43 10 1. When a vehicle is sold outside the state for purposes
43 11 other than for junk, the owner, dealer or otherwise, shall
43 12 detach the registration plates and registration card and shall
43 13 indicate on the registration card the name and address of the
43 14 foreign purchaser or transferee over the person's signature.
43 15 Unless the registration plates are legally attached to another
43 16 vehicle, the owner shall surrender the registration plates and
43 17 registration card to the county treasurer, who shall cancel
43 18 the records, destroy the registration plates, and forward the
43 19 registration card to the department. The department shall
43 20 make a notation on the records of the out-of-state sale and,
43 21 after a reasonable period, may destroy the files for that
43 22 particular vehicle. The department is not authorized to make
43 23 a refund of annual registration fees on a vehicle sold out of
43 24 state unless it receives the registration card completed as
43 25 provided in this section.

43 26 3. When a vehicle for which a certificate of title is
43 27 issued is junked or dismantled by the owner, the owner shall
43 28 detach the registration plates and surrender the plates to the
43 29 county treasurer, unless the plates are properly assigned to
43 30 another vehicle. The owner shall also surrender the
43 31 certificate of title to the county treasurer. Upon
43 32 surrendering the certificate of title and application for
43 33 junking certificate, the county treasurer shall issue to the
43 34 person, without fee, a junking certificate, which shall
43 35 authorize the holder to possess, transport or transfer
44 1 ownership of the junked vehicle by endorsement of the junking
44 2 certificate. The county treasurer shall hold the surrendered

44 3 certificate of title, registration receipt, application for
44 4 junking certificate, and, if applicable, the registration
44 5 plates for a period of fourteen days following the issuance of
44 6 a junking certificate under this subsection. Within the
44 7 fourteen-day period the person who was issued the junking
44 8 certificate and to whom the vehicle was titled or assigned may
44 9 surrender to the county treasurer the junking certificate, and
44 10 upon the person's payment of appropriate fees and taxes and
44 11 payment of any credit for annual registration fees received by
44 12 the person for the vehicle under section 321.46, subsection 3,
44 13 the county treasurer shall issue to the person a certificate
44 14 of title for the vehicle. After the expiration of the
44 15 fourteen-day period, a county treasurer shall not issue a
44 16 certificate of title for a junked vehicle for which a junking
44 17 certificate is issued. The county treasurer shall cancel the
44 18 record of the vehicle and forward the certificate of title to
44 19 the department.

44 20 However, upon application the department upon a showing of
44 21 good cause may issue a certificate of title after the
44 22 fourteen-day period for a junked vehicle for which a junking
44 23 certificate has been issued. For purposes of this subsection,
44 24 "good cause" means that the junking certificate was obtained
44 25 by mistake or inadvertence. If a person's application to the
44 26 department is denied, the person may make application for a
44 27 certificate of title under the bonding procedure as provided
44 28 in section 321.24, if the vehicle qualifies as an antique
44 29 vehicle under section 321.115, subsection 1, or the person may
44 30 seek judicial review as provided under sections 17A.19 and
44 31 17A.20.

44 32 Sec. 52. Section 321.70, Code 2007, is amended to read as
44 33 follows:

44 34 321.70 DEALER VEHICLES.

44 35 A dealer registered under this chapter shall not be
45 1 required to register any vehicle owned by the dealer which is
45 2 being held for sale or trade, provided the annual registration
45 3 fee was not delinquent at the time the vehicle was acquired by
45 4 the dealer. When a dealer ceases to hold any vehicle for sale
45 5 or trade or the vehicle otherwise becomes subject to
45 6 registration under this chapter the annual registration fee
45 7 and delinquent annual registration fee, if any, shall be due
45 8 for the registration year.

45 9 Sec. 53. Section 321.101, subsection 1, paragraph d, Code
45 10 Supplement 2007, is amended to read as follows:

45 11 d. When the department determines that the required annual
45 12 registration fee has not been paid and the fee is not paid
45 13 upon reasonable notice and demand.

45 14 Sec. 54. Section 321.101A, Code 2007, is amended to read
45 15 as follows:

45 16 321.101A REVOCATION OF REGISTRATION BY COUNTY TREASURER.

45 17 The county treasurer may revoke the registration and
45 18 registration plates of a vehicle if the annual registration
45 19 ~~fees are fee or the fee for new registration is~~ paid by check,
45 20 electronic payment, or credit card and the check, electronic
45 21 payment, or credit card is not honored by the payer's
45 22 financial institution or credit card company, upon reasonable
45 23 notice and demand. The owner of the vehicle or person in
45 24 possession of the registration and registration plates for the
45 25 vehicle shall immediately return the revoked registration and
45 26 registration plates to the appropriate county treasurer's
45 27 office.

45 28 Sec. 55. Section 321.105, Code 2007, is amended to read as
45 29 follows:

45 30 321.105 ANNUAL REGISTRATION FEE REQUIRED.

45 31 1. An annual registration fee shall be paid for each
45 32 vehicle operated upon the public highways of this state unless
45 33 the vehicle is specifically exempted under this chapter. If a
45 34 vehicle, which has been registered for the current
45 35 registration year, is transferred during the registration
46 1 year, the transferee shall reregister the vehicle as provided
46 2 in section 321.46.

46 3 2. The annual registration fee shall be paid to the county
46 4 treasurer at the same time the application is made for the
46 5 registration or reregistration of the motor vehicle or
46 6 trailer. An owner may, when applying for registration or
46 7 reregistration of a motor vehicle or trailer, request that the
46 8 plates be mailed to the owner's post-office address. The
46 9 owner's request shall be accompanied by a mailing fee as
46 10 determined annually by the director in consultation with the
46 11 Iowa county treasurers association.

46 12 3. Upon application by a financial institution, as defined
46 13 in section 422.61, and approval of the application by the

46 14 county treasurer, the county treasurer in any county may
46 15 authorize the financial institution to receive applications
46 16 for renewal of vehicle registrations and payment of the annual
46 17 registration fees. The annual registration fees shall be
46 18 delivered to the county treasurer at the time the county
46 19 treasurer has processed the vehicle registration application.
46 20 Registration Annual registration fees received with vehicle
46 21 registration applications shall be designated as public funds
46 22 only upon receipt of such funds by the county treasurer from
46 23 the financial institution.

46 24 4. In addition to the payment of an annual registration
46 25 fee for each trailer and semitrailer to be issued an annual
46 26 registration plate, an additional registration fee may be paid
46 27 for a period of two or four subsequent registration years.

46 28 5. Seriously disabled veterans who have been provided with
46 29 an automobile or other vehicle by the United States government
46 30 under the provisions of sections 1901 to 1903, Title 38 of the
46 31 United States Code, 38 U.S.C. } 1901 et seq. (1970), shall be
46 32 exempt from payment of any automobile registration fee
46 33 provided in this chapter, and shall be provided, without fee,
46 34 with a registration plate. The disabled veteran, to be able
46 35 to claim the above benefit, must be a resident of the state of
47 1 Iowa. The disabled veteran may obtain a special or
47 2 personalized plate under section 321.34 by paying the
47 3 difference between the fee for a regular registration plate
47 4 and the fee for the special or personalized registration
47 5 plate.

47 6 Sec. 56. Section 321.106, subsections 1, 2, and 4, Code
47 7 2007, are amended to read as follows:

47 8 1. When a vehicle is registered under chapter 326 or a
47 9 motor truck, truck tractor, or road tractor is registered for
47 10 a combined gross weight exceeding five tons and there is no
47 11 delinquency and the registration is made in February or
47 12 succeeding months through November, the annual registration
47 13 fee shall be prorated for the remaining unexpired months of
47 14 the registration year. A fee shall not be required for the
47 15 month of December for a vehicle registered on a calendar year
47 16 basis on which there is no delinquency. However, except for a
47 17 vehicle registered under chapter 326, when such a vehicle is
47 18 registered in November, the vehicle may be registered for the
47 19 remaining unexpired months of the registration year or for the
47 20 remaining unexpired months of the registration year and for
47 21 the next registration year, upon payment of the applicable
47 22 registration fees.

47 23 2. When a vehicle is registered on a birth month basis and
47 24 there is no delinquency and the registration is made in the
47 25 month after the beginning of the registration year or
47 26 succeeding months, the annual registration fee shall be
47 27 prorated for the remaining unexpired months of the
47 28 registration year. A fee shall not be required for the month
47 29 of the owner's birthday for a vehicle on which there is no
47 30 delinquency. However, when a vehicle registered on a birth
47 31 month basis is registered during the eleventh month of the
47 32 registration year, the vehicle may be registered for the
47 33 remaining unexpired months of the registration year or for the
47 34 remaining unexpired months of the registration year and for
47 35 the next registration year, upon payment of the applicable
48 1 registration fees.

48 2 4. A reduction in the annual registration fee shall not be
48 3 allowed by the department until the applicant files
48 4 satisfactory evidence to prove that there is no delinquency in
48 5 registration.

48 6 Sec. 57. Section 321.109, subsection 3, Code 2007, is
48 7 amended to read as follows:

48 8 3. The owner of an unregistered motor vehicle or motor
48 9 vehicle for which the registration is delinquent may make
48 10 application to the county treasurer of the county of residence
48 11 or, if the unregistered or delinquent motor vehicle is
48 12 purchased by a nonresident of the state, to the county
48 13 treasurer in the county of purchase, for a temporary
48 14 thirty-day permit for a fee of twenty-five dollars. The
48 15 permit shall authorize the motor vehicle to be driven or towed
48 16 upon the highway, but shall not authorize a motor truck or
48 17 truck tractor to haul or tow a load. The permit fee shall not
48 18 be considered a registration fee or exempt the owner from
48 19 payment of all other fees, registration fees, and penalties
48 20 due. If the annual registration fee for the motor vehicle is
48 21 delinquent, the annual registration fee and penalty shall
48 22 continue to accrue until paid. The permit fee shall not be
48 23 prorated, refunded, or used as credit as provided under
48 24 section 321.46. The permit shall be displayed in the upper

48 25 left-hand corner of the rear window of all motor vehicles,
48 26 except motorcycles. Permits issued for a motorcycle shall be
48 27 attached to the rear of the motorcycle.

48 28 Sec. 58. Section 321.110, Code 2007, is amended to read as
48 29 follows:

48 30 321.110 REJECTING FRACTIONAL DOLLARS.

48 31 When the annual registration fee, computed according to
48 32 section 321.109, subsection 1, totals a fraction over a
48 33 certain number of dollars the fee shall be arrived at by
48 34 computing to the nearest even dollar.

48 35 Sec. 59. Section 321.113, Code 2007, is amended to read as
49 1 follows:

49 2 321.113 AUTOMATIC REDUCTION.

49 3 1. The annual registration fee for a motor vehicle shall
49 4 not be automatically reduced under this section unless the
49 5 registration fee is based on the value and weight of the motor
49 6 vehicle as provided in section 321.109, subsection 1.

49 7 2. If a motor vehicle is more than five model years old,
49 8 the part of the annual registration fee that is based on the
49 9 value of the vehicle shall be seventy-five percent of the rate
49 10 as fixed when the motor vehicle was new.

49 11 3. If a motor vehicle is more than six model years old,
49 12 the part of the annual registration fee that is based on the
49 13 value of the vehicle shall be fifty percent of the rate as
49 14 fixed when the motor vehicle was new.

49 15 4. If a 1994 model year or newer motor vehicle is nine
49 16 model years old or older the annual registration fee is
49 17 thirty-five dollars. For purposes of determining the portion
49 18 of the annual registration fee under this subsection that is
49 19 based upon the value of the motor vehicle, sixty percent of
49 20 the annual registration fee is attributable to the value of
49 21 the vehicle.

49 22 5. a. If a 1993 model year or older motor vehicle has
49 23 been titled in the same person's name since the vehicle was
49 24 new or the title to the vehicle was transferred prior to
49 25 January 1, 2002, the part of the annual registration fee that
49 26 is based on the value of the vehicle shall be ten percent of
49 27 the rate as fixed when the motor vehicle was new.

49 28 b. If the title of a 1993 model year or older motor
49 29 vehicle is transferred to a new owner or if such a motor
49 30 vehicle is brought into the state on or after January 1, 2002,
49 31 the annual registration fee shall not be based on the weight
49 32 and list price of the motor vehicle, but shall be as follows:

49 33 (1) For a motor vehicle that is model year
49 34 1969 or older:..... \$ 16.00

49 35 (2) For a motor vehicle that is model year
50 1 1970 through 1989:..... \$ 23.00

50 2 (3) For a motor vehicle that is model year
50 3 1990 through 1993:..... \$ 27.00

50 4 For purposes of determining the portion of the annual
50 5 registration fee under this paragraph "b" that is based upon
50 6 the value of the motor vehicle, sixty percent of the annual
50 7 registration fee is attributable to the value of the vehicle.

50 8 Sec. 60. Section 321.117, Code 2007, is amended to read as
50 9 follows:

50 10 321.117 MOTORCYCLE, AMBULANCE, AND HEARSE FEES.

50 11 For all motorcycles the annual registration fee shall be
50 12 twenty dollars. For all motorized bicycles the annual
50 13 registration fee shall be seven dollars. When the motorcycle
50 14 is more than five model years old, the annual registration fee
50 15 shall be ten dollars. The annual registration fee for
50 16 ambulances and hearses shall be fifty dollars. Passenger car
50 17 plates shall be issued for ambulances and hearses.

50 18 Sec. 61. Section 321.119, Code 2007, is amended to read as
50 19 follows:

50 20 321.119 CHURCH BUSES.

50 21 For motor vehicles designed to carry nine passengers or
50 22 more which are owned and used exclusively by a church or
50 23 religious organization to transport passengers to and from
50 24 activities of or sponsored by the church or religious
50 25 organization and not operated for rent or hire for purposes
50 26 unrelated to the activities of the church or religious
50 27 organization, the annual registration fee shall be twenty-five
50 28 dollars.

50 29 Sec. 62. Section 321.121, Code 2007, is amended to read as
50 30 follows:

50 31 321.121 SPECIAL TRUCKS FOR FARM USE.

50 32 1. The annual registration fee for a special truck shall
50 33 be eighty dollars for a gross weight of six tons, one hundred
50 34 dollars for a gross weight of seven tons, one hundred twenty
50 35 dollars for a gross weight of eight tons, and in addition,

51 1 fifteen dollars for each ton over eight tons and not exceeding
51 2 eighteen tons. The annual registration fee for a special
51 3 truck with a gross weight registration exceeding eighteen tons
51 4 but not exceeding nineteen tons shall be three hundred
51 5 twenty-five dollars and for a gross weight registration
51 6 exceeding nineteen tons but not exceeding twenty tons the
51 7 annual registration fee shall be three hundred seventy-five
51 8 dollars. The additional annual registration fee for a special
51 9 truck for a gross weight registration in excess of twenty tons
51 10 is twenty-five dollars for each ton over twenty tons and not
51 11 exceeding thirty-two tons.

51 12 2. A person convicted of or found by audit to be using a
51 13 motor vehicle registered as a special truck for any purpose
51 14 other than permitted by section 321.1, subsection 76, shall,
51 15 in addition to any other penalty imposed by law, be required
51 16 to pay regular annual motor vehicle registration fees upon for
51 17 such motor vehicle.

51 18 Sec. 63. Section 321.123, unnumbered paragraph 1, Code
51 19 2007, is amended to read as follows:

51 20 All trailers except farm trailers, mobile homes, and
51 21 manufactured homes, unless otherwise provided in this section,
51 22 are subject to ~~a~~ an annual registration fee of ten dollars.
51 23 Trailers for which the empty weight is two thousand pounds or
51 24 less are exempt from the certificate of title and lien
51 25 provisions of this chapter. Fees collected under this section
51 26 shall not be reduced or prorated under chapter 326.

51 27 Sec. 64. Section 321.123, subsection 1, unnumbered
51 28 paragraph 1, Code 2007, is amended to read as follows:

51 29 Travel trailers and fifth-wheel travel trailers, except
51 30 those in manufacturer's or dealer's stock, shall be subject to
51 31 an annual registration fee of twenty cents per square foot of
51 32 floor space computed on the exterior overall measurements, but
51 33 excluding three feet occupied by any trailer hitch as provided
51 34 by and certified to by the owner, to the nearest whole dollar.
51 35 When a travel trailer or fifth-wheel travel trailer is
52 1 registered in Iowa for the first time or when title is
52 2 transferred, the annual registration fee shall be prorated on
52 3 a monthly basis. The annual registration fee shall be reduced
52 4 to seventy-five percent of the full fee after the vehicle is
52 5 more than six model years old.

52 6 Sec. 65. Section 321.125, Code 2007, is amended to read as
52 7 follows:

52 8 321.125 EFFECT OF EXEMPTION.

52 9 The exemption of a motor vehicle from ~~a~~ an annual
52 10 registration fee or a fee for new registration shall not
52 11 exempt the operator of such vehicle from the performance of
52 12 any other duty imposed on the operator by this chapter.

52 13 Sec. 66. Section 321.126, Code 2007, is amended to read as
52 14 follows:

52 15 321.126 REFUNDS OF ANNUAL REGISTRATION FEES.

52 16 Refunds of unexpired annual vehicle registration fees shall
52 17 be allowed in accordance with this section, except that no
52 18 refund shall be allowed and paid if the unused portion of the
52 19 fee is less than ten dollars. Subsections 1 and 2 do not
52 20 apply to vehicles registered by the county treasurer. The
52 21 refunds shall be made as follows:

52 22 1. If the vehicle is destroyed by fire or accident, or
52 23 junked and its identity as a vehicle entirely eliminated, the
52 24 owner in whose name the vehicle was registered at the time of
52 25 destruction or dismantling shall return the plates to the
52 26 department and within thirty days thereafter make a statement
52 27 of such destruction or dismantling and make claim for refund.
52 28 With reference to the destruction or dismantling of a vehicle,
52 29 no refund shall be allowed unless a junking certificate has
52 30 been issued, as provided in section 321.52.

52 31 2. If the vehicle is stolen, the owner shall give notice
52 32 of the theft to the department within five days. If the
52 33 vehicle is not recovered by the owner thirty days prior to the
52 34 end of the current registration year, the owner shall make a
52 35 statement of the theft and make claim for refund.

53 1 3. If the vehicle is placed in storage by the owner upon
53 2 the owner's entry into the military service of the United
53 3 States, the owner shall return the plates to the county
53 4 treasurer or the department and make a statement regarding the
53 5 storage and military service and make claim for refund.
53 6 Whenever the owner of a vehicle so placed in storage desires
53 7 to again register the vehicle, the county treasurer or
53 8 department shall compute and collect the fees for registration
53 9 for the registration year commencing in the month the vehicle
53 10 is removed from storage.

53 11 4. If the vehicle is registered by the county treasurer

53 12 during the current registration year and the owner or lessee
53 13 registers the vehicle for proportional registration under
53 14 chapter 326, the owner of the registered vehicle shall
53 15 surrender the registration plates to the county treasurer and
53 16 may file a claim for refund. In lieu of a refund, a credit
53 17 for the annual registration fees paid to the county treasurer
53 18 may be applied by the department to the owner or lessee's
53 19 proportional registration fees upon the surrender of the
53 20 county plates and registration.

53 21 5. A refund for trailers and semitrailers issued a
53 22 multiyear registration plate shall be paid by the department
53 23 upon application.

53 24 6. If a vehicle is sold or junked, the owner in whose name
53 25 the vehicle was registered may make claim to the county
53 26 treasurer or department for a refund of the sold or junked
53 27 vehicle's annual registration fee. Also if the owner of a
53 28 vehicle receives a vehicle registration fee credit under
53 29 section 321.46, subsection 3, and the credit allowed exceeds
53 30 the amount of the annual registration fee for the vehicle
53 31 acquired, the owner may claim a refund for the balance of the
53 32 credit. The refund is subject to the following limitations:

53 33 a. If a vehicle registration fee credit has not been
53 34 received by the owner of the vehicle under section 321.46,
53 35 subsection 3, the refund shall be computed on the basis of the
54 1 number of unexpired months remaining in the registration year
54 2 at the time the vehicle was sold or junked. The refund shall
54 3 be rounded to the nearest whole dollar. Section 321.127,
54 4 subsection 1, does not apply.

54 5 b. The refund shall only be allowed if the owner makes
54 6 claim for the refund within six months after the date of the
54 7 vehicle's sale, trade, or junking.

54 8 c. This subsection does not apply to vehicles registered
54 9 under chapter 326.

54 10 7. If the vehicle was leased and an affidavit was filed by
54 11 the lessor or the lessee as provided in section 321.46, the
54 12 lessor or the lessee, as applicable, may make a claim for a
54 13 refund with the county treasurer of the county where the
54 14 vehicle was registered within six months of the vehicle's
54 15 surrender to the lessor. The refund shall be paid to either
54 16 the lessor or the lessee, as specified on the application for
54 17 title and registration pursuant to section 321.20.

54 18 8. If the owner of the vehicle moves out of state, the
54 19 owner may make a claim for a refund by returning the Iowa
54 20 registration plates, along with evidence of the vehicle's
54 21 registration in another jurisdiction, to the county treasurer
54 22 of the county in which the vehicle was registered within six
54 23 months of the out-of-state registration. For purposes of
54 24 section 321.127, the unexpired months remaining in the
54 25 registration year shall be calculated on the basis of the
54 26 effective date of the out-of-state registration. However, for
54 27 the purpose of timely issuance of the refund, the claim for a
54 28 refund under this subsection is considered to be filed on the
54 29 date the registration documents are received by the county
54 30 treasurer.

54 31 9. Notwithstanding any provision of this section to the
54 32 contrary, there shall be no refund of proportional
54 33 registration fees unless the state which issued the base plate
54 34 for the vehicle allows such refund. If an owner subject to
54 35 proportional registration leases the vehicle for which the
55 1 refund is sought, the claim shall be filed in the names of
55 2 both the lessee and the lessor and the refund payment made
55 3 payable to both the lessor and the lessee. The term "owner"
55 4 for purposes of this section shall include a person in whom is
55 5 vested right of possession or control of a vehicle which is
55 6 subject to a lease, contract, or other legal arrangement
55 7 vesting right of possession or control in addition to the term
55 8 as defined in section 321.1, subsection 49.

55 9 Sec. 67. Section 321.127, subsection 1, Code 2007, is
55 10 amended to read as follows:

55 11 1. The refund of the annual registration fee for vehicles
55 12 shall be computed on the basis of the number of unexpired
55 13 months remaining in the registration year from date of filing
55 14 of the claim for refund with the county treasurer, computed to
55 15 the nearest dollar.

55 16 Sec. 68. Section 321.132, Code 2007, is amended to read as
55 17 follows:

55 18 321.132 WHEN LIEN ATTACHES.

55 19 The lien of the original annual registration fee attaches,
55 20 at the time the fee is first payable, as provided by law, and
55 21 the lien of all renewals of registration attach on the first
55 22 day of each succeeding registration year.

55 23 Sec. 69. Section 321.134, Code Supplement 2007, is amended
55 24 to read as follows:

55 25 321.134 MONTHLY PENALTY.

55 26 1. On the first day of the second month following the
55 27 beginning of each registration year a penalty of five percent
55 28 of the annual registration fee shall be added to the annual
55 29 registration fees not paid by that date and an additional
55 30 penalty of five percent shall be added the first day of each
55 31 succeeding month, until the fee is paid. A penalty shall not
55 32 be less than five dollars. If the owner of a vehicle
55 33 surrenders the registration plates for a vehicle prior to the
55 34 plates becoming delinquent, to the county treasurer of the
55 35 county where the vehicle is registered, or to the department
56 1 if the vehicle is registered under chapter 326, the owner may
56 2 register the vehicle any time thereafter upon payment of the
56 3 annual registration fee for the registration year without
56 4 penalty. The penalty on vehicles registered under chapter 326
56 5 shall accrue February 1 of each year. To avoid a penalty or
56 6 an additional penalty in the case of a delinquent
56 7 registration, if the last calendar day of a month falls on
56 8 Saturday, Sunday, or a holiday, the payment deadline is
56 9 extended to include the first business day of the following
56 10 month. For payments made through a county treasurer's
56 11 authorized website only, if the last day of the month falls on
56 12 a Saturday, Sunday, or a holiday, the electronic payment must
56 13 be initiated by midnight on the first business day of the next
56 14 month. All other electronic payments must be initiated by
56 15 midnight on the last day of the month preceding the delinquent
56 16 date.

56 17 2. The annual registration fee for trucks, truck tractors,
56 18 and road tractors, as provided in sections 321.121 and
56 19 321.122, may be payable in two equal semiannual installments
56 20 if the annual registration fee exceeds the annual registration
56 21 fee for a vehicle with a gross weight exceeding five tons.
56 22 The penalties provided in subsection 1 shall be computed on
56 23 the amount of the first installment only and on the first day
56 24 of the seventh month of the registration period the same rate
56 25 of penalty shall apply to the second installment, until the
56 26 fee is paid. Semiannual installments do not apply to
56 27 commercial vehicles, as defined under section 326.2, subject
56 28 to proportional registration, with a base state other than the
56 29 state of Iowa, as defined in section 326.2, subsection 1. The
56 30 penalty on vehicles registered under chapter 326 accrues
56 31 August 1 of each year except as provided in section 326.6.
56 32 The department shall not allow the annual registration fee for
56 33 a commercial vehicle registered under chapter 326 to be paid
56 34 in two equal semiannual installments for five years after the
56 35 registrant has paid the annual registration fee late for two
57 1 consecutive years.

57 2 3. If a penalty applies to ~~a~~ an annual vehicle
57 3 registration fee provided for in sections 321.121 and 321.122,
57 4 the same penalty shall be assessed on the fees collected to
57 5 increase the registered gross weight of the vehicle, if the
57 6 increased gross weight is requested within forty-five days
57 7 from the date the delinquent vehicle is registered for the
57 8 current registration period.

57 9 4. Notwithstanding subsections 1 through 3, if a vehicle
57 10 registration is delinquent for twenty-four months or more, a
57 11 flat penalty and fee shall be assessed for the delinquent
57 12 period in addition to the current annual registration fee.
57 13 The flat penalty and fee shall be one hundred fifty percent of
57 14 the current annual registration fee.

57 15 5. The department shall waive the penalties imposed by
57 16 this section for an owner who is in the military service of
57 17 the United States and who has been relocated as a result of
57 18 being placed on active duty on or after September 11, 2001.
57 19 The department shall adopt rules to implement this subsection,
57 20 including, if necessary, procedures for refunding penalties
57 21 collected prior to March 29, 2004.

57 22 Sec. 70. Section 321.135, Code 2007, is amended to read as
57 23 follows:

57 24 321.135 WHEN FEES DELINQUENT.

57 25 Except as otherwise provided, ~~delinquencies begin annual~~
57 26 registration fees become delinquent and penalties accrue the
57 27 first of the month following the purchase of a new vehicle,
57 28 and thirty days following the date a vehicle is brought into
57 29 the state.

57 30 Sec. 71. Section 321.151, Code 2007, is amended to read as
57 31 follows:

57 32 321.151 DUTY AND LIABILITY OF TREASURER.

57 33 The county treasurer shall collect the registration fee.

57 34 the fee for new registration, and penalties on each vehicle
57 35 registered by the county treasurer and shall be responsible on
58 1 the county treasurer's bond for such amount. The county
58 2 treasurer shall remit such amount to the treasurer of state as
58 3 provided in this chapter. Fees collected pursuant to
58 4 participation in county issuance of driver's licenses under
58 5 chapter 321M shall be governed by the provisions of that
58 6 chapter.

58 7 Sec. 72. Section 321.152, subsection 1, Code 2007, is
58 8 amended to read as follows:

58 9 1. Four percent of the total collection, excluding the
58 10 amount of any fee for new registration, for each annual or
58 11 semiannual vehicle registration and each duplicate
58 12 registration card or plate issued.

58 13 Sec. 73. Section 321.152, Code 2007, is amended by adding
58 14 the following new subsection:

58 15 NEW SUBSECTION. 5. One dollar from each fee for new
58 16 registration collected pursuant to section 321.105A.

58 17 Sec. 74. Section 321.159, Code 2007, is amended to read as
58 18 follows:

58 19 321.159 EXCEPTIONAL CASES == ANNUAL REGISTRATION FEE.

58 20 The department shall have the power to fix the annual
58 21 registration fee on all makes and models of motor vehicles
58 22 which are not now being furnished or upon which the statement
58 23 from the factory cannot be obtained.

58 24 For a current year model of a motor vehicle for which the
58 25 manufacturer or importer of the motor vehicle has not provided
58 26 the weight and list price, the department shall set the annual
58 27 registration fee at ten dollars greater than the annual
58 28 registration fee for the previous year model. Once the
58 29 manufacturer or importer provides the required information,
58 30 the information shall be used to set the annual registration
58 31 fee or the registration renewal fee for the succeeding
58 32 registration or registration renewal time for the motor
58 33 vehicle.

58 34 Sec. 75. Section 321.170, Code 2007, is amended to read as
58 35 follows:

59 1 321.170 PLATES FOR EXEMPT VEHICLES.

59 2 The department shall furnish, on application, free of
59 3 charge, distinguishing plates for motor vehicles exempted from
59 4 ~~a~~ annual registration ~~fee~~ fees and shall keep a separate
59 5 record thereof.

59 6 Sec. 76. Section 322G.4, subsection 2, unnumbered
59 7 paragraph 2, Code 2007, is amended to read as follows:

59 8 Refunds shall be made to the consumer and lienholder of
59 9 record, if any, as their interests appear. If applicable,
59 10 refunds shall be made to the lessor and lessee as follows:
59 11 the lessee shall receive the lessee's cost less a reasonable
59 12 offset for use, and the lessor shall receive the lease price
59 13 less the aggregate deposit and rental payments previously paid
59 14 to the lessor for the leased vehicle. If it is determined
59 15 that the lessee is entitled to a refund pursuant to this
59 16 chapter, the consumer's lease agreement with the lessor is
59 17 terminated upon payment of the refund and no penalty for early
59 18 termination shall be assessed. The department of revenue
59 19 shall refund to the manufacturer any use tax or fee for new
59 20 registration which the manufacturer refunded to the consumer,
59 21 lessee, or lessor under this section, if the manufacturer
59 22 provides to the department of revenue a written request for a
59 23 refund and evidence that the use tax or fee for new
59 24 registration was paid when the vehicle was purchased and that
59 25 the manufacturer refunded the use tax or fee for new
59 26 registration to the consumer, lessee, or lessor.

59 27 Sec. 77. Section 322G.12, unnumbered paragraph 1, Code
59 28 2007, is amended to read as follows:

59 29 A manufacturer who accepts the return of a motor vehicle
59 30 pursuant to a settlement, determination, or decision under
59 31 this chapter shall notify the state department of
59 32 transportation, report the vehicle identification number of
59 33 that motor vehicle within ten days after the acceptance, and
59 34 obtain a new certificate of title for the vehicle in the
59 35 manufacturer's name pursuant to section 321.46. In obtaining
60 1 a new certificate of title, the manufacturer shall title the
60 2 vehicle in the county of the transferor's residence and shall
60 3 be exempt from the registration fee requirements of section
60 4 321.46. ~~For purposes of chapter 423, a manufacturer's~~
60 5 ~~acceptance of the return of a motor vehicle, as described in~~
60 6 ~~this section, shall not be considered "use", as defined in~~
60 7 ~~section 423.1 and the fee for new registration under section~~
60 8 321.105A. The new certificate of title, and all subsequent
60 9 registration receipts and certificates of title issued for the

60 10 motor vehicle, shall contain a designation indicating that the
60 11 motor vehicle was returned to the manufacturer pursuant to
60 12 this chapter or a similar law of another state. The state
60 13 department of transportation shall determine the manner in
60 14 which the designation is to be indicated on registration
60 15 receipts and certificates of title and may determine that a
60 16 "REBUILT" or "SALVAGE" designation supersedes the designation
60 17 required by this paragraph and include the "REBUILT" or
60 18 "SALVAGE" designation on the registration receipt and
60 19 certificate of title in lieu of the designation required by
60 20 this paragraph.

60 21 Sec. 78. Section 326.2, Code 2007, is amended by adding
60 22 the following new subsection:

60 23 NEW SUBSECTION. 11A. "Registration fee" means the annual
60 24 motor vehicle registration fee imposed pursuant to section
60 25 321.105, unless otherwise specified.

60 26 Sec. 79. Section 327I.26, Code 2007, is amended to read as
60 27 follows:

60 28 327I.26 APPROPRIATION TO AUTHORITY.

60 29 Notwithstanding section 423.43, and prior to the
60 30 application of section 423.43, subsection ~~1~~ 2, ~~paragraph "b",~~
60 31 there shall be deposited into the general fund of the state
60 32 and is appropriated to the authority from ~~eighty percent of~~
60 33 the revenues derived from the operation of section 423.26, the
60 34 amounts certified by the authority under section 327I.25.

60 35 However, the total amount deposited into the general fund and
61 1 appropriated to the Iowa railway finance authority under this
61 2 section shall not exceed two million dollars annually. Moneys
61 3 appropriated to the Iowa railway finance authority under this
61 4 section are appropriated only for the payment of principal and
61 5 interest on obligations or the payment of leases guaranteed by
61 6 the authority as provided under section 327I.25.

61 7 Sec. 80. Section 331.557, subsection 3, Code 2007, is
61 8 amended to read as follows:

61 9 3. Collect the use tax on vehicles subject to registration
61 10 only to a certificate of title and on manufactured housing as
61 11 provided in sections section 423.147 and section 423.26, and
61 12 423.27, subsection 1.

61 13 Sec. 81. Section 423.5, subsection 3, Code 2007, is
61 14 amended to read as follows:

61 15 3. The use of leased vehicles, if the lease transaction
61 16 does not require titling or registration of the vehicle, on
61 17 the amount subject to tax as calculated pursuant to section
61 18 ~~423.27~~ 423.26, subsection 2.

61 19 Sec. 82. Section 423.36, subsection 8, paragraph b,
61 20 subparagraph (2), Code 2007, is amended to read as follows:

61 21 (2) Taxes imposed under ~~sections section 423.26 and 423.27~~
61 22 and chapter 423C.

61 23 Sec. 83. Section 423.57, Code Supplement 2007, is amended
61 24 to read as follows:

61 25 423.57 STATUTES APPLICABLE.

61 26 The director shall administer this subchapter as it relates
61 27 to the taxes imposed in this chapter in the same manner and
61 28 subject to all the provisions of, and all of the powers,
61 29 duties, authority, and restrictions contained in sections
61 30 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
61 31 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
61 32 423.32, 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,
61 33 423.40, 423.41, and 423.42, section 423.43, subsection ~~3~~ 1,
61 34 and sections 423.45, 423.46, and 423.47.

61 35 Sec. 84. Section 423B.4, unnumbered paragraphs 2 and 3,
62 1 Code 2007, are amended to read as follows:

62 2 Payment of a local vehicle tax shall be evidenced by a
62 3 notation on the state registration certificate. The director
62 4 of the department of transportation shall prescribe by rule
62 5 the type of notation. A local vehicle tax shall not be
62 6 refunded even when annual state registration fees are
62 7 refunded.

62 8 Penalties for late payment which are comparable to the
62 9 penalties for late payment of annual state registration fees
62 10 shall be imposed by the ordinance imposing a local vehicle
62 11 tax. Willful violation of a local vehicle tax ordinance is a
62 12 simple misdemeanor.

62 13 Sec. 85. Section 455D.11C, subsection 1, Code 2007, is
62 14 amended to read as follows:

62 15 1. A waste tire management fund is created within the
62 16 state treasury. ~~Moneys For the fiscal year beginning July 1,~~
62 17 ~~2002, through the fiscal year beginning July 1, 2006, moneys~~
62 18 received from each five dollar surcharge on the issuance of a
62 19 certificate of title shall be deposited as provided in section
62 20 321.52A, ~~subsection 2~~ Code 2007. Notwithstanding section

62 21 8.33, any unexpended balance in the fund at the end of each
62 22 fiscal year shall be retained in the fund. Notwithstanding
62 23 section 12C.7, any interest or earnings on investments from
62 24 moneys in the fund shall be credited to the fund. Moneys from
62 25 the fund that are expended by the department in closing or
62 26 bringing into compliance a waste tire collection site pursuant
62 27 to section 455D.11A and later recouped by the department shall
62 28 be credited to the fund.

62 29 Sec. 86. Section 455G.3, subsection 1, Code 2007, is
62 30 amended to read as follows:

62 31 1. The Iowa comprehensive petroleum underground storage
62 32 tank fund is created as a separate fund in the state treasury,
62 33 and any funds remaining in the fund at the end of each fiscal
62 34 year shall not revert to the general fund but shall remain in
62 35 the Iowa comprehensive petroleum underground storage tank
63 1 fund. Interest or other income earned by the fund shall be
63 2 deposited in the fund. The fund shall include moneys credited
63 3 to the fund under this section, section ~~423.43~~ 424.7,
63 4 subsection ~~4~~ 4, paragraph "a", and sections 455G.8, 455G.9,
63 5 and 455G.11, Code 2003, and other funds which by law may be
63 6 credited to the fund. The moneys in the fund are appropriated
63 7 to and for the purposes of the board as provided in this
63 8 chapter. Amounts in the fund shall not be subject to
63 9 appropriation for any other purpose by the general assembly,
63 10 but shall be used only for the purposes set forth in this
63 11 chapter. The treasurer of state shall act as custodian of the
63 12 fund and disburse amounts contained in it as directed by the
63 13 board including automatic disbursements of funds as received
63 14 pursuant to the terms of bond indentures and documents and
63 15 security provisions to trustees and custodians. The treasurer
63 16 of state is authorized to invest the funds deposited in the
63 17 fund at the direction of the board and subject to any
63 18 limitations contained in any applicable bond proceedings. The
63 19 income from such investment shall be credited to and deposited
63 20 in the fund. The fund shall be administered by the board
63 21 which shall make expenditures from the fund consistent with
63 22 the purposes of the programs set out in this chapter without
63 23 further appropriation. The fund may be divided into different
63 24 accounts with different depositories as determined by the
63 25 board and to fulfill the purposes of this chapter.

63 26 Sec. 87. Section 455G.6, subsection 4, Code 2007, is
63 27 amended to read as follows:

63 28 4. Grant a mortgage, lien, pledge, assignment, or other
63 29 encumbrance on one or more improvements, revenues, asset of
63 30 right, accounts, or funds established or received in
63 31 connection with the fund, including revenues derived from the
63 32 ~~use tax environmental protection charge~~ under section ~~423.43~~
63 33 ~~424.7~~, subsection ~~4~~ 4, paragraph "a", and deposited in the
63 34 fund or an account of the fund.

63 35 Sec. 88. Section 455G.8, subsection 2, Code 2007, is
64 1 amended to read as follows:

64 2 2. ~~USE TAX ENVIRONMENTAL PROTECTION CHARGE~~. The revenues
64 3 derived from the ~~use tax environmental protection charge~~
64 4 imposed under chapter ~~423~~, subchapter III ~~424~~. The proceeds
64 5 of the ~~use tax environmental protection charge~~ under section
64 6 ~~423.43~~ 424.7, subsection ~~4~~ 4, paragraph "a", shall be
64 7 allocated, consistent with this chapter, among the fund's
64 8 accounts, for debt service and other fund expenses, according
64 9 to the fund budget, resolution, trust agreement, or other
64 10 instrument prepared or entered into by the board or authority
64 11 under direction of the board.

64 12 Sec. 89. Section 321.115, subsection 1, as enacted by 2007
64 13 Iowa Acts, chapter 143, section 12, is amended to read as
64 14 follows:

64 15 1. A motor vehicle twenty-five years old or older may be
64 16 registered as an antique vehicle ~~upon payment of~~. ~~The annual~~
64 17 ~~registration fee is~~ the fee provided for in section 321.113,
64 18 321.122, or 321.124. The owner of a motor vehicle registered
64 19 under this subsection may display authentic Iowa registration
64 20 plates from the model year of the motor vehicle, furnished by
64 21 the person and approved by the department, in lieu of the
64 22 current and valid Iowa registration plates issued for the
64 23 vehicle, provided that the current and valid Iowa registration
64 24 plates and the registration card issued for the vehicle are
64 25 simultaneously carried within the vehicle and are available
64 26 for inspection to any peace officer upon the officer's
64 27 request.

64 28 Sec. 90. 2007 Iowa Acts, chapter 179, section 6, is
64 29 amended to read as follows:

64 30 SEC. 6. Section 423.57, Code 2007, as amended by this Act,
64 31 is amended to read as follows:

64 32 423.57 STATUTES APPLICABLE.
64 33 The director shall administer this subchapter as it relates
64 34 to the taxes imposed in this chapter in the same manner and
64 35 subject to all the provisions of, and all of the powers,
65 1 duties, authority, and restrictions contained in sections
65 2 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
65 3 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
65 4 423.32, 423.33, 423.34, 423.34A, 423.35, 423.37, 423.38,
65 5 423.39, 423.40, 423.41, and 423.42, section 423.43, subsection
65 6 ~~3~~ 1, and sections 423.45, 423.46, and 423.47.

65 7 Sec. 91. Section 423.44, Code 2007, is repealed.
65 8 Sec. 92. PRIOR USE TAX LIABILITY. The enactment of this
65 9 Act does not affect a person's liability for any use tax,
65 10 penalty, or interest owed by the person prior to the effective
65 11 date of this Act.

65 12 Sec. 93. EFFECTIVE DATE. The section of this Act amending
65 13 2007 Iowa Acts, chapter 179, takes effect January 1, 2009.

65 14 EXPLANATION
65 15 This bill eliminates the imposition of the use tax on motor
65 16 vehicles subject to registration and the use tax on leased
65 17 motor vehicles, provides alternate sources of revenue for
65 18 purposes currently funded from revenues derived from the motor
65 19 vehicle use tax, and establishes a one-time motor vehicle
65 20 registration fee called the "fee for new registration".

65 21 DIVISION I == Currently, there are several purposes for
65 22 which motor vehicle use taxes are allocated which are not
65 23 eligible under Iowa's constitution for funding from motor
65 24 vehicle registration fees. The bill addresses those funding
65 25 needs as follows:

65 26 1. Prior to allocation from the road use tax fund, an
65 27 amount equal to 20 percent of the revenue collected from the
65 28 fee for new registration is to be credited one-half to the
65 29 road use tax fund and one-half to the primary road fund to be
65 30 used for the commercial and industrial highway network.

65 31 2. An amount equal to 1/20 of 80 percent of the revenue
65 32 collected from the fee for new registration is to be credited
65 33 for purposes of public transit assistance from revenues
65 34 derived from driver's license fees, title fees, and title fee
65 35 surcharges.

66 1 3. An amount equal to \$1 per year of license validity for
66 2 each issued or renewed driver's license valid for the
66 3 operation of a motorcycle shall be credited to the motorcycle
66 4 rider education fund from revenues derived from driver's
66 5 license fees, title fees, and title fee surcharges.

66 6 4. Amounts required to be transferred from the sale of
66 7 special motor vehicle registration plates for the various
66 8 purposes associated with those plates are to be credited from
66 9 revenues derived from driver's license fees, title fees, and
66 10 title fee surcharges.

66 11 5. Amounts required for certain projects on bridges over
66 12 rivers bordering the state, which are not eligible for funding
66 13 from the road use tax fund, may be credited to the primary
66 14 road fund from funds derived from trailer registration fees.

66 15 The bill provides that revenues from the automobile rental
66 16 excise tax may be used to supplement the funding available to
66 17 meet the statutory requirements for public transit assistance,
66 18 the motorcycle rider education fund, and purposes of special
66 19 registration plates.

66 20 DIVISION II == The bill establishes a new vehicle
66 21 registration fee, referred to as the "fee for new
66 22 registration", which amounts to 5 percent of the purchase
66 23 price of a vehicle subject to registration, or 5 percent of
66 24 the leased price for each vehicle subject to registration with
66 25 a gross vehicle weight rating of less than 16,000 pounds,
66 26 excluding motorcycles and motorized bicycles, which is leased
66 27 for 12 months or more. The imposition of the fee for new
66 28 registration is subject to the same exemptions currently
66 29 applicable to the use tax on vehicles. The bill provides that
66 30 the computation of a vehicle's purchase price for purposes of
66 31 the fee for new registration mirrors the computation of "sales
66 32 price" under current use tax provisions. The director of
66 33 revenue, in consultation with the department of
66 34 transportation, shall administer and enforce the fee for new
66 35 registration as nearly as possible in conjunction with the
67 1 administration and enforcement of the use tax law.

67 2 The fee for new registration is payable to the county
67 3 treasurer at the time application is made for a new
67 4 registration for a vehicle. As is currently the case with the
67 5 vehicle use tax, the county treasurer shall retain \$1 from the
67 6 collection of a fee for new registration, to be deposited in
67 7 the county general fund. The bill provides a mechanism for

67 8 collection of the fee by licensed vehicle dealers at the time
67 9 a vehicle is purchased and provisions for obtaining a refund
67 10 of a fee. The bill provides that a person who makes a false
67 11 statement regarding the purchase price of a vehicle commits a
67 12 fraudulent practice and is subject to the same penalties that
67 13 applied for purposes of the use tax on vehicles.

67 14 DIVISION III == The bill repeals the use tax on vehicles
67 15 subject to registration and the motor vehicle lease tax,
67 16 except for the tax on the use of leased vehicles if the lease
67 17 transaction does not require titling and registration of the
67 18 vehicle. The use tax on vehicles subject only to a
67 19 certificate of title, which applies to mobile homes, and on
67 20 manufactured homes is retained under the bill. The resulting
67 21 revenue is deposited into the road use tax fund.

67 22 DIVISION IV == The bill contains conforming amendments to
67 23 the Code relating to provisions in the bill.

67 24 LSB 5396YC 82

67 25 dea/nh/14