

Senate File 2389 - Introduced

SENATE FILE _____
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 3267)

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

A BILL FOR

1 An Act allocating revenues to the TIME=21 fund, increasing motor
2 vehicle and trailer registration fees, title fees, and
3 driver's license fees, reallocating certain fees collected by
4 the department of transportation, repealing the use tax on
5 vehicles subject to registration and the use tax on certain
6 leased motor vehicles, establishing a fee for new registration
7 of vehicles, making penalties applicable, and providing
8 effective dates.
9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
10 TLSB 6422SV 82
11 dea/nh/24

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DIVISION I

MOTOR VEHICLE REGISTRATION FEES

1 1
1 2
1 3 Section 1. Section 312.2, Code Supplement 2007, is amended
1 4 by adding the following new subsection:

1 5 NEW SUBSECTION. 19. a. The treasurer of state, before
1 6 making the allotments provided for in this section, shall
1 7 credit annually to the TIME=21 fund created in section 312A.2,
1 8 the revenue accruing to the road use tax fund from annual
1 9 motor vehicle registration fees for passenger cars,
1 10 multipurpose vehicles, and motor trucks in excess of three
1 11 hundred forty-six million dollars annually.

1 12 b. This subsection is repealed June 30, 2028.
1 13 Sec. 2. Section 321.109, subsection 1, paragraph a, Code
1 14 2007, is amended to read as follows:

1 15 a. The annual fee for all motor vehicles including
1 16 vehicles designated by manufacturers as station wagons, ~~and~~
1 17 1993 and subsequent model ~~years for year~~ multipurpose
1 18 vehicles, ~~and 2010 and subsequent model year motor trucks with~~
1 19 ~~an unladen weight of ten thousand pounds or less, except motor~~
1 20 ~~trucks registered under section 321.122, special trucks, motor~~
1 21 ~~homes, ambulances, hearses, motorcycles, motorized bicycles,~~
1 22 ~~and 1992 and older model ~~years for year~~ multipurpose vehicles,~~
1 23 shall be equal to one percent of the value as fixed by the
1 24 department plus forty cents for each one hundred pounds or
1 25 fraction thereof of weight of vehicle, as fixed by the
1 26 department. The weight of a motor vehicle, fixed by the
1 27 department for registration purposes, shall include the weight
1 28 of a battery, heater, bumpers, spare tire, and wheel.
1 29 Provided, however, that for any new vehicle purchased in this
1 30 state by a nonresident for removal to the nonresident's state
1 31 of residence the purchaser may make application to the county
1 32 treasurer in the county of purchase for a transit plate for
1 33 which a fee of ten dollars shall be paid. And provided,
1 34 however, that for any used vehicle held by a registered dealer
1 35 and not currently registered in this state, or for any vehicle
2 1 held by an individual and currently registered in this state,
2 2 when purchased in this state by a nonresident for removal to
2 3 the nonresident's state of residence, the purchaser may make
2 4 application to the county treasurer in the county of purchase
2 5 for a transit plate for which a fee of three dollars shall be
2 6 paid. The county treasurer shall issue a nontransferable
2 7 certificate of registration for which no refund shall be
2 8 allowed; and the transit plates shall be void thirty days
2 9 after issuance. Such purchaser may apply for a certificate of
2 10 title by surrendering the manufacturer's or importer's
2 11 certificate or certificate of title, duly assigned as provided
2 12 in this chapter. In this event, the treasurer in the county

2 13 of purchase shall, when satisfied with the genuineness and
2 14 regularity of the application, and upon payment of a fee of
2 15 ten dollars, issue a certificate of title in the name and
2 16 address of the nonresident purchaser delivering the title to
2 17 the owner. If there is a security interest noted on the
2 18 title, the county treasurer shall mail to the secured party an
2 19 acknowledgment of the notation of the security interest. The
2 20 county treasurer shall not release a security interest that
2 21 has been noted on a title issued to a nonresident purchaser as
2 22 provided in this paragraph. The application requirements of
2 23 section 321.20 apply to a title issued as provided in this
2 24 subsection, except that a natural person who applies for a
2 25 certificate of title shall provide either the person's social
2 26 security number, passport number, or driver's license number,
2 27 whether the license was issued by this state, another state,
2 28 or another country. The provisions of this subsection
2 29 relating to multipurpose vehicles are effective ~~January 1,~~
2 30 ~~1993,~~ for all 1993 and subsequent model years. The annual
2 31 registration fee for multipurpose vehicles that are 1992 model
2 32 years and older shall be in accordance with section 321.124.

2 33 Sec. 3. Section 321.113, Code 2007, is amended to read as
2 34 follows:

2 35 321.113 AUTOMATIC REDUCTION.

3 1 1. The annual registration fee for a motor vehicle shall
3 2 not be automatically reduced under this section unless the
3 3 ~~registration~~ fee is based on the value and weight of the motor
3 4 vehicle as provided in section 321.109, subsection 1.

3 5 2. If a motor vehicle is more than ~~five~~ seven model years
3 6 old, the part of the annual registration fee that is based on
3 7 the value of the vehicle shall be seventy-five percent of the
3 8 rate as fixed when the motor vehicle was new and the total fee
3 9 shall not be less than fifty dollars; except that if the
3 10 vehicle has been titled in the same person's name since the
3 11 vehicle was new or the title to the vehicle was transferred
3 12 prior to January 1, 2009, the annual registration fee shall
3 13 not be more than the fee paid for the previous registration
3 14 year.

3 15 3. If a motor vehicle is more than ~~six~~ nine model years
3 16 old, the part of the annual registration fee that is based on
3 17 the value of the vehicle shall be fifty percent of the rate as
3 18 fixed when the motor vehicle was new and the total fee shall
3 19 not be less than fifty dollars; except that if the vehicle has
3 20 been titled in the same person's name since the vehicle was
3 21 new or the title to the vehicle was transferred prior to
3 22 January 1, 2009, the annual registration fee shall not be more
3 23 than the fee paid for the previous registration year.

3 24 4. ~~If a 1994 model year or newer motor vehicle is nine~~
3 25 ~~model years old or older the registration fee is thirty-five~~
3 26 ~~dollars. For purposes of determining the portion of the~~
3 27 ~~registration fee under this subsection that is based upon the~~
3 28 ~~value of the motor vehicle, sixty percent of the registration~~
3 29 ~~fee is attributable to the value of the vehicle.~~

3 30 5. a. ~~If a 1993 model year or older motor vehicle has~~
3 31 ~~been titled in the same person's name since the vehicle was~~
3 32 ~~new or the title to the vehicle was transferred prior to~~
3 33 ~~January 1, 2002, the part of the registration fee that is~~
3 34 ~~based on the value of the vehicle shall be ten percent of the~~
3 35 ~~rate as fixed when the motor vehicle was new.~~

4 1 b. ~~If the title of a 1993 model year or older motor~~
4 2 ~~vehicle is transferred to a new owner or if such a motor~~
4 3 ~~vehicle is brought into the state on or after January 1, 2002,~~
4 4 ~~the registration fee shall not be based on the weight and list~~
4 5 ~~price of the motor vehicle, but shall be as follows:~~

4 6 (1) ~~For a motor vehicle that is model year~~
4 7 ~~1969 or older:..... \$ 16.00~~

4 8 (2) ~~For a motor vehicle that is model year~~
4 9 ~~1970 through 1989:..... \$ 23.00~~

4 10 (3) ~~For a motor vehicle that is model year~~
4 11 ~~1990 through 1993:..... \$ 27.00~~

4 12 ~~For purposes of determining the portion of the registration~~
4 13 ~~fee under this paragraph "b" that is based upon the value of~~
4 14 ~~the motor vehicle, sixty percent of the registration fee is~~
4 15 ~~attributable to the value of the vehicle.~~

4 16 4. a. Except as provided in paragraph "b", if a motor
4 17 vehicle is twelve model years old or older, the annual
4 18 registration fee is fifty dollars; except that if the vehicle
4 19 has been titled in the same person's name since the vehicle
4 20 was new or the title to the vehicle was transferred prior to
4 21 January 1, 2009, the annual registration fee shall not be more
4 22 than the fee paid for the previous registration year.

4 23 b. If a motor vehicle was registered as an antique vehicle

4 24 pursuant to section 321.115 prior to January 1, 2009, and
 4 25 either the motor vehicle has been titled in the same person's
 4 26 name since the vehicle was new or the title to the vehicle was
 4 27 transferred prior to January 1, 2009, the annual registration
 4 28 fee shall be twenty-three dollars for a motor vehicle that is
 4 29 model year 1970 through 1983 and sixteen dollars for a motor
 4 30 vehicle that is model year 1969 or older.

4 31 c. For purposes of determining the portion of an annual
 4 32 registration fee under paragraph "a" or "b" that is based upon
 4 33 the value of the motor vehicle, sixty percent of the
 4 34 registration fee is attributable to the value of the vehicle.

4 35 Sec. 4. Section 321.121, Code 2007, is amended to read as
 5 1 follows:

5 2 321.121 SPECIAL TRUCKS FOR FARM USE.

5 3 1. a. The annual registration fee for a special truck
 5 4 shall be ~~eighty one hundred~~ dollars for a gross weight of six
 5 5 tons, ~~one hundred dollars for a gross weight of seven tons,~~
 5 6 ~~one hundred twenty dollars for a gross weight of eight tons,~~
 5 7 ~~and in addition, fifteen dollars for each ton over eight tons~~
 5 8 ~~and not exceeding eighteen tons.~~

5 9 b. The annual registration fee for a special truck with a
 5 10 gross weight exceeding six tons but not exceeding eighteen
 5 11 tons shall be as follows:

5 12	5 13 For a gross	5 14 And not	5 15 The annual
5 16 weight exceeding:	5 17 exceeding:	5 18 registration	5 19 fee shall be:
5 20 6 Tons	5 21 7 Tons	5 22 \$	5 23 125
5 24 7 Tons	5 25 8 Tons	5 26 \$	5 27 155
5 28 8 Tons	5 29 9 Tons	5 30 \$	5 31 170
5 32 9 Tons	5 33 10 Tons	5 34 \$	5 35 190
5 36 10 Tons	5 37 11 Tons	5 38 \$	5 39 205
5 40 11 Tons	5 41 12 Tons	5 42 \$	5 43 225
5 44 12 Tons	5 45 13 Tons	5 46 \$	5 47 245
5 48 13 Tons	5 49 14 Tons	5 50 \$	5 51 265
5 52 14 Tons	5 53 15 Tons	5 54 \$	5 55 280
5 56 15 Tons	5 57 16 Tons	5 58 \$	5 59 295
5 60 16 Tons	5 61 17 Tons	5 62 \$	5 63 305
5 64 17 Tons	5 65 18 Tons	5 66 \$	5 67 315

5 28 c. The registration fee for a special truck with a gross
 5 29 weight registration exceeding eighteen tons but not exceeding
 5 30 nineteen tons shall be three hundred twenty-five dollars and
 5 31 for a gross weight registration exceeding nineteen tons but
 5 32 not exceeding twenty tons the registration fee shall be three
 5 33 hundred seventy-five dollars.

5 34 d. The additional registration fee for a special truck for
 5 35 a gross weight registration in excess of twenty tons is
 6 1 twenty-five dollars for each ton over twenty tons and not
 6 2 exceeding thirty-two tons.

6 3 2. A person convicted of or found by audit to be using a
 6 4 motor vehicle registered as a special truck for any purpose
 6 5 other than permitted by section 321.1, subsection 76, shall,
 6 6 in addition to any other penalty imposed by law, be required
 6 7 to pay regular motor vehicle registration fees upon such motor
 6 8 vehicle.

6 9 Sec. 5. Section 321.122, subsection 1, Code 2007, is
 6 10 amended to read as follows:

6 11 1. The annual registration fee for truck tractors, road
 6 12 tractors, and motor trucks, except 2010 and subsequent model
 6 13 year motor trucks with an unladen weight of ten thousand
 6 14 pounds or less and motor trucks registered as special trucks,
 6 15 shall be based on the combined gross weight of the vehicle or
 6 16 combination of vehicles. All such trucks, truck tractors, or
 6 17 road tractors registered under this section shall be
 6 18 registered for a gross weight equal to or in excess of the
 6 19 unladen weight of the vehicle or combination of vehicles. The
 6 20 annual registration fee for such vehicles or combination of
 6 21 vehicles, except special trucks, shall be:

6 22 a. For a combined gross weight of three tons or less,
 6 23 sixty-five dollars; and a vehicle which is more than ten model
 6 24 years old, fifty-five dollars; and a vehicle which is more
 6 25 than thirteen model years old, forty-five dollars; and a
 6 26 vehicle which is more than fifteen years old, thirty-five
 6 27 dollars.

6 28 b. For a combined gross weight exceeding three tons, the
 6 29 annual registration fee shall be as set forth in the following
 6 30 schedule:

6 31 For a combined	6 32 And not	6 33 The annual
6 34 gross weight	6 35 exceeding:	6 36 registration
6 37 exceeding:	6 38	6 39 fee shall be:
6 40 3 Tons	6 41 4 Tons	6 42 \$ 80
6 43 4 Tons	6 44 5 Tons	6 45 \$ 90

6	35	5 Tons	6 Tons	\$	105
7	1				<u>170</u>
7	2	6 Tons	7 Tons	\$	130
7	3				<u>180</u>
7	4	7 Tons	8 Tons	\$	165
7	5				<u>190</u>
7	6	8 Tons	9 Tons	\$	200
7	7	9 Tons	10 Tons	\$	235
7	8	10 Tons	11 Tons	\$	270
7	9	11 Tons	12 Tons	\$	305
7	10	12 Tons	13 Tons	\$	340
7	11	13 Tons	14 Tons	\$	375
7	12	14 Tons	15 Tons	\$	445
7	13	15 Tons	16 Tons	\$	485
7	14	16 Tons	17 Tons	\$	525
7	15	17 Tons	18 Tons	\$	565
7	16	18 Tons	19 Tons	\$	610
7	17	19 Tons	20 Tons	\$	675
7	18	20 Tons	21 Tons	\$	715
7	19	21 Tons	22 Tons	\$	755
7	20	22 Tons	23 Tons	\$	795
7	21	23 Tons	24 Tons	\$	835
7	22	24 Tons	25 Tons	\$	965
7	23	25 Tons	26 Tons	\$	1,010
7	24	26 Tons	27 Tons	\$	1,060
7	25	27 Tons	28 Tons	\$	1,105
7	26	28 Tons	29 Tons	\$	1,150
7	27	29 Tons	30 Tons	\$	1,200
7	28	30 Tons	31 Tons	\$	1,245
7	29	31 Tons	32 Tons	\$	1,295
7	30	32 Tons	33 Tons	\$	1,340
7	31	33 Tons	34 Tons	\$	1,415
7	32	34 Tons	35 Tons	\$	1,465
7	33	35 Tons	36 Tons	\$	1,510
7	34	36 Tons	37 Tons	\$	1,555
7	35	37 Tons	38 Tons	\$	1,605
8	1	38 Tons	39 Tons	\$	1,650
8	2	39 Tons	40 Tons	\$	1,695

8 3 c. For a combined gross weight exceeding forty tons, the
8 4 annual registration fee shall be one thousand six hundred
8 5 ninety-five dollars plus eighty dollars for each ton over
8 6 forty tons.

8 7 Sec. 6. EFFECTIVE DATE AND APPLICABILITY. This division
8 8 of this Act takes effect January 1, 2009, and applies to
8 9 vehicles registered for registration years beginning in 2009
8 10 and subsequent years.

8 11 DIVISION II

8 12 DRIVER'S LICENSE FEES

8 13 Sec. 7. Section 312.2, Code Supplement 2007, is amended by
8 14 adding the following new subsection:

8 15 NEW SUBSECTION. 19. a. The treasurer of state, before
8 16 making the allotments provided for in this section, shall
8 17 credit monthly to the TIME=21 fund created in section 312A.2
8 18 an amount equal to the portion of fees collected from the
8 19 issuance of driver's licenses pursuant to section 321.191 as
8 20 follows:

8 21 (1) For each noncommercial driver's license, three dollars
8 22 per year of license validity.

8 23 (2) For each chauffer's license, five dollars per year of
8 24 license validity.

8 25 (3) For each commercial driver's license, five dollars per
8 26 year of license validity.

8 27 (4) From the additional fee collected for each license
8 28 valid for the operation of a motorcycle, one dollar per year
8 29 of license validity.

8 30 b. This subsection is repealed June 30, 2028.

8 31 Sec. 8. Section 321.191, subsections 2, 3, 4, and 5, Code
8 32 2007, are amended to read as follows:

8 33 2. NONCOMMERCIAL DRIVER'S LICENSES. The fee for a
8 34 noncommercial driver's license, other than a class D driver's
8 35 license or any type of instruction permit, is ~~four~~ seven
9 1 dollars per year of license validity.

9 2 3. LICENSES FOR CHAUFFEURS. The fee for a noncommercial
9 3 class D driver's license is ~~eight~~ thirteen dollars per year of
9 4 license validity.

9 5 4. COMMERCIAL DRIVER'S LICENSES. The fee for a commercial
9 6 driver's license, other than an instruction permit, for the
9 7 operation of a commercial motor vehicle is ~~eight~~ thirteen
9 8 dollars per year of license validity.

9 9 5. LICENSES VALID FOR MOTORCYCLES. An additional fee of
9 10 ~~one dollar~~ two dollars per year of license validity is

9 11 required to issue a license valid to operate a motorcycle.

9 12 DIVISION III

9 13 TITLE FEES

9 14 Sec. 9. Section 312.2, Code Supplement 2007, is amended by
9 15 adding the following new subsection:

9 16 NEW SUBSECTION. 20. a. The treasurer of state, before
9 17 making the allotments provided for in this section, shall
9 18 credit monthly to the TIME=21 fund created in section 312A.2,
9 19 an amount equal to ten dollars from each fee for issuance of a
9 20 certificate of title collected pursuant to sections 321.20;
9 21 321.20A; 321.23; 321.42; 321.46, other than a title issued for
9 22 a returned vehicle under section 322G.12; section 321.47; and
9 23 section 321.109 and an amount equal to eight dollars from each
9 24 fee collected for issuance of a certificate of title pursuant
9 25 to section 321.46 for a returned vehicle under section 322G.12
9 26 and from each fee collected for issuance of a salvage
9 27 certificate of title pursuant to section 321.52.

9 28 b. This subsection is repealed June 30, 2028.

9 29 Sec. 10. Section 321.20, subsection 1, unnumbered
9 30 paragraph 1, Code 2007, is amended to read as follows:

9 31 Except as provided in this chapter, an owner of a vehicle
9 32 subject to registration shall make application to the county
9 33 treasurer of the county of the owner's residence, or if a
9 34 nonresident, to the county treasurer of the county where the
9 35 primary users of the vehicle are located, or if a lessor of
10 1 the vehicle pursuant to chapter 321F which vehicle has a gross
10 2 vehicle weight of less than ten thousand pounds, to the county
10 3 treasurer of the county of the lessee's residence, or if a
10 4 firm, association, or corporation with vehicles in multiple
10 5 counties, the owner may make application to the county
10 6 treasurer of the county where the primary user of the vehicle
10 7 is located, for the registration and issuance of a certificate
10 8 of title for the vehicle upon the appropriate form furnished
10 9 by the department. However, upon the transfer of ownership,
10 10 the owner of a vehicle subject to the proportional
10 11 registration provisions of chapter 326 shall make application
10 12 for registration and issuance of a certificate of title to
10 13 either the department or the appropriate county treasurer.
10 14 The application shall be accompanied by a fee of ~~ten~~ twenty
10 15 dollars, and shall bear the owner's signature. A nonresident
10 16 owner of two or more vehicles subject to registration may make
10 17 application for registration and issuance of a certificate of
10 18 title for all vehicles subject to registration to the county
10 19 treasurer of the county where the primary user of any of the
10 20 vehicles is located. The owner of a mobile home or
10 21 manufactured home shall make application for a certificate of
10 22 title under this section from the county treasurer of the
10 23 county where the mobile home or manufactured home is located.
10 24 The application shall contain:

10 25 Sec. 11. Section 321.20A, subsection 1, Code 2007, is
10 26 amended to read as follows:

10 27 1. Notwithstanding other provisions of this chapter, the
10 28 owner of a commercial vehicle subject to the proportional
10 29 registration provisions of chapter 326 may make application to
10 30 the department or the appropriate county treasurer for a
10 31 certificate of title. The application for certificate of
10 32 title shall be made within thirty days of purchase or transfer
10 33 and shall be accompanied by a ~~ten~~ twenty dollar title fee and
10 34 the appropriate use tax. The department or the county
10 35 treasurer shall deliver the certificate of title to the owner
11 1 if there is no security interest. If there is a security
11 2 interest, the title, when issued, shall be delivered to the
11 3 first secured party. Delivery may be made using electronic
11 4 means.

11 5 Sec. 12. Section 321.23, subsections 1 and 4, Code 2007,
11 6 are amended to read as follows:

11 7 1. If the vehicle to be registered is a specially
11 8 constructed, reconstructed, or foreign vehicle, such fact
11 9 shall be stated in the application. A fee of ~~ten~~ twenty
11 10 dollars shall be paid by the person making the application
11 11 upon issuance of a certificate of title by the county
11 12 treasurer. For a specially constructed or reconstructed motor
11 13 vehicle subject to registration, the application shall be
11 14 accompanied by a statement from the department authorizing the
11 15 motor vehicle to be titled and registered in this state. The
11 16 department shall cause a physical inspection to be made of all
11 17 specially constructed or reconstructed motor vehicles, upon
11 18 application for a certificate of title by the owner, to
11 19 determine whether the motor vehicle complies with the
11 20 definition of specially constructed motor vehicle or
11 21 reconstructed motor vehicle in this chapter and to determine

11 22 that the integral component parts are properly identified and
11 23 that the rightful ownership is established before issuing the
11 24 owner the authority to have the motor vehicle registered and
11 25 titled. The purpose of the physical inspection under this
11 26 section is not to determine whether the motor vehicle is in a
11 27 condition safe to operate. The owner of a specially
11 28 constructed or reconstructed vehicle shall apply for a
11 29 certificate of title and registration for the vehicle at the
11 30 county treasurer's office within thirty days of the
11 31 inspection. For a foreign vehicle which has been registered
11 32 outside this state, the owner shall surrender to the treasurer
11 33 all registration plates, registration cards, and certificates
11 34 of title, or if the vehicle to be registered is from a
11 35 nontitle state, the evidence of foreign registration and
12 1 ownership as may be prescribed by the department except as
12 2 provided in subsection 2.

12 3 4. A vehicle which does not meet the equipment
12 4 requirements of this chapter due to the particular use for
12 5 which it is designed or intended, may be registered by the
12 6 department upon payment of appropriate fees and after
12 7 inspection and certification by the department that the
12 8 vehicle is not in an unsafe condition. A person is not
12 9 required to have a certificate of title to register a vehicle
12 10 under this subsection. If the owner elects to have a
12 11 certificate of title issued for the vehicle, a fee of ~~ten~~
12 12 twenty dollars shall be paid by the person making the
12 13 application upon issuance of a certificate of title. If the
12 14 department's inspection reveals that the vehicle may be safely
12 15 operated only under certain conditions or on certain types of
12 16 roadways, the department may restrict the registration to
12 17 limit operation of the vehicle to the appropriate conditions
12 18 or roadways. This subsection does not apply to snowmobiles as
12 19 defined in section 321G.1. Section 321.382 does not apply to
12 20 a vehicle registered under this subsection which is operated
12 21 exclusively by a person with a disability who has obtained a
12 22 persons with disabilities parking permit as provided in
12 23 section 321L.2, if the persons with disabilities parking
12 24 permit is carried in or on the vehicle and shown to a peace
12 25 officer on request.

12 26 Sec. 13. Section 321.42, subsection 2, paragraph a, Code
12 27 2007, is amended to read as follows:

12 28 a. If a certificate of title is lost or destroyed, the
12 29 owner or lienholder shall apply for a replacement copy of the
12 30 original certificate of title. The owner or lienholder of a
12 31 motor vehicle may also apply for a replacement copy of the
12 32 original certificate of title upon surrender of the original
12 33 certificate of title with the application. The application
12 34 shall be made to the department or county treasurer who issued
12 35 the original certificate of title. The application shall be
13 1 signed by the owner or lienholder and accompanied by a fee of
13 2 ~~ten~~ twenty dollars.

13 3 Sec. 14. Section 321.46, subsection 2, Code 2007, is
13 4 amended to read as follows:

13 5 2. Upon filing the application for a new registration and
13 6 a new title, the applicant shall pay a title fee of ~~ten~~ twenty
13 7 dollars and a registration fee prorated for the remaining
13 8 unexpired months of the registration year. A manufacturer
13 9 applying for a certificate of title pursuant to section
13 10 322G.12 shall pay a title fee of ~~two ten~~ dollars. However, a
13 11 title fee shall not be charged to a manufactured or mobile
13 12 home retailer applying for a certificate of title for a used
13 13 mobile home or manufactured home, titled in Iowa, as required
13 14 under section 321.45, subsection 4. The county treasurer, if
13 15 satisfied of the genuineness and regularity of the
13 16 application, and in the case of a mobile home or manufactured
13 17 home, that taxes are not owing under chapter 435, and that
13 18 applicant has complied with all the requirements of this
13 19 chapter, shall issue a new certificate of title and, except
13 20 for a mobile home, manufactured home, or a vehicle returned to
13 21 and accepted by a manufacturer as described in section
13 22 322G.12, a registration card to the purchaser or transferee,
13 23 shall cancel the prior registration for the vehicle, and shall
13 24 forward the necessary copies to the department on the date of
13 25 issuance, as prescribed in section 321.24. Mobile homes or
13 26 manufactured homes titled under chapter 448 that have been
13 27 subject under section 446.18 to a public bidder sale in a
13 28 county shall be titled in the county's name, with no fee, and
13 29 the county treasurer shall issue the title.

13 30 Sec. 15. Section 321.47, unnumbered paragraph 1, Code
13 31 2007, is amended to read as follows:

13 32 If ownership of a vehicle is transferred by operation of

13 33 law upon inheritance, devise or bequest, dissolution decree,
13 34 order in bankruptcy, insolvency, replevin, foreclosure or
13 35 execution sale, abandoned vehicle sale, or when the engine of
14 1 a motor vehicle is replaced by another engine, or a vehicle is
14 2 sold or transferred to satisfy an artisan's lien as provided
14 3 in chapter 577, a landlord's lien as provided in chapter 570,
14 4 a storage lien as provided in chapter 579, a judgment in an
14 5 action for abandonment of a manufactured or mobile home as
14 6 provided in chapter 555B, upon presentation of an affidavit
14 7 relating to the disposition of a valueless mobile, modular, or
14 8 manufactured home as provided in chapter 555C, or repossession
14 9 is had upon default in performance of the terms of a security
14 10 agreement, the county treasurer in the transferee's county of
14 11 residence or, in the case of a mobile home or manufactured
14 12 home, the county treasurer of the county where the mobile home
14 13 or manufactured home is located, upon the surrender of the
14 14 prior certificate of title or the manufacturer's or importer's
14 15 certificate, or when that is not possible, upon presentation
14 16 of satisfactory proof to the county treasurer of ownership and
14 17 right of possession to the vehicle and upon payment of a fee
14 18 of ~~ten~~ twenty dollars and the presentation of an application
14 19 for registration and certificate of title, may issue to the
14 20 applicant a registration card for the vehicle and a
14 21 certificate of title to the vehicle. A person entitled to
14 22 ownership of a vehicle under a decree of dissolution shall
14 23 surrender a reproduction of a certified copy of the
14 24 dissolution and upon fulfilling the other requirements of this
14 25 chapter is entitled to a certificate of title and registration
14 26 receipt issued in the person's name.

14 27 Sec. 16. Section 321.52, subsection 4, paragraph a, Code
14 28 Supplement 2007, is amended to read as follows:

14 29 a. A vehicle rebuilder or a person engaged in the business
14 30 of buying, selling, or exchanging vehicles of a type required
14 31 to be registered in this state, upon acquisition of a wrecked
14 32 or salvage vehicle, shall surrender the certificate of title
14 33 or manufacturer's or importer's statement of origin properly
14 34 assigned, together with an application for a salvage
14 35 certificate of title, to the county treasurer of the county of
15 1 residence of the purchaser or transferee within thirty days
15 2 after the date of assignment of the certificate of title for
15 3 the wrecked or salvage motor vehicle. This subsection applies
15 4 only to vehicles with a fair market value of five hundred
15 5 dollars or more, based on the value before the vehicle became
15 6 wrecked or salvage. Upon payment of a fee of ~~two~~ ten dollars,
15 7 the county treasurer shall issue a salvage certificate of
15 8 title which shall bear the word "SALVAGE" stamped or printed
15 9 on the face of the title in a manner prescribed by the
15 10 department. A salvage certificate of title may be assigned to
15 11 an educational institution, a new motor vehicle dealer
15 12 licensed under chapter 322, a person engaged in the business
15 13 of purchasing bodies, parts of bodies, frames or component
15 14 parts of vehicles for sale as scrap metal, a salvage pool, or
15 15 an authorized vehicle recycler licensed under chapter 321H.
15 16 An authorized vehicle recycler licensed under chapter 321H or
15 17 a new motor vehicle dealer licensed under chapter 322 may
15 18 assign or reassign an Iowa salvage certificate of title or a
15 19 salvage certificate of title from another state to any person,
15 20 and the provisions of section 321.24, subsection 5, requiring
15 21 issuance of an Iowa salvage certificate of title shall not
15 22 apply. A vehicle on which ownership has transferred to an
15 23 insurer of the vehicle as a result of a settlement with the
15 24 owner of the vehicle arising out of damage to, or unrecovered
15 25 theft of, the vehicle shall be deemed to be a wrecked or
15 26 salvage vehicle and the insurer shall comply with this
15 27 subsection to obtain a salvage certificate of title within
15 28 thirty days after the date of assignment of the certificate of
15 29 title of the vehicle.

15 30 Sec. 17. Section 321.109, subsection 1, paragraph a, Code
15 31 2007, is amended to read as follows:

15 32 a. The annual fee for all motor vehicles including
15 33 vehicles designated by manufacturers as station wagons, and
15 34 1993 and subsequent model years for multipurpose vehicles,
15 35 except motor trucks, motor homes, ambulances, hearses,
16 1 motorcycles, motorized bicycles, and 1992 and older model
16 2 years for multipurpose vehicles, shall be equal to one percent
16 3 of the value as fixed by the department plus forty cents for
16 4 each one hundred pounds or fraction thereof of weight of
16 5 vehicle, as fixed by the department. The weight of a motor
16 6 vehicle, fixed by the department for registration purposes,
16 7 shall include the weight of a battery, heater, bumpers, spare
16 8 tire, and wheel. Provided, however, that for any new vehicle

16 9 purchased in this state by a nonresident for removal to the
16 10 nonresident's state of residence the purchaser may make
16 11 application to the county treasurer in the county of purchase
16 12 for a transit plate for which a fee of ten dollars shall be
16 13 paid. And provided, however, that for any used vehicle held
16 14 by a registered dealer and not currently registered in this
16 15 state, or for any vehicle held by an individual and currently
16 16 registered in this state, when purchased in this state by a
16 17 nonresident for removal to the nonresident's state of
16 18 residence, the purchaser may make application to the county
16 19 treasurer in the county of purchase for a transit plate for
16 20 which a fee of three dollars shall be paid. The county
16 21 treasurer shall issue a nontransferable certificate of
16 22 registration for which no refund shall be allowed; and the
16 23 transit plates shall be void thirty days after issuance. Such
16 24 purchaser may apply for a certificate of title by surrendering
16 25 the manufacturer's or importer's certificate or certificate of
16 26 title, duly assigned as provided in this chapter. In this
16 27 event, the treasurer in the county of purchase shall, when
16 28 satisfied with the genuineness and regularity of the
16 29 application, and upon payment of a fee of ~~ten~~ twenty dollars,
16 30 issue a certificate of title in the name and address of the
16 31 nonresident purchaser delivering the title to the owner. If
16 32 there is a security interest noted on the title, the county
16 33 treasurer shall mail to the secured party an acknowledgment of
16 34 the notation of the security interest. The county treasurer
16 35 shall not release a security interest that has been noted on a
17 1 title issued to a nonresident purchaser as provided in this
17 2 paragraph. The application requirements of section 321.20
17 3 apply to a title issued as provided in this subsection, except
17 4 that a natural person who applies for a certificate of title
17 5 shall provide either the person's social security number,
17 6 passport number, or driver's license number, whether the
17 7 license was issued by this state, another state, or another
17 8 country. The provisions of this subsection relating to
17 9 multipurpose vehicles are effective January 1, 1993, for all
17 10 1993 and subsequent model years. The annual registration fee
17 11 for multipurpose vehicles that are 1992 model years and older
17 12 shall be in accordance with section 321.124.

17 13 DIVISION IV

17 14 TRAILER REGISTRATION FEES

17 15 Sec. 18. Section 312.2, Code Supplement 2007, is amended
17 16 by adding the following new subsection:

17 17 NEW SUBSECTION. 21. a. The treasurer of state, before
17 18 making the allotments provided for in this section, shall
17 19 credit monthly to the TIME=21 fund created in section 312A.2
17 20 an amount equal to ten dollars from each trailer registration
17 21 fee collected pursuant to section 321.123, subsection 1,
17 22 paragraph "a", subparagraph (1), and twenty dollars from each
17 23 trailer registration fee collected pursuant to section
17 24 321.123, subsection 1, paragraph "a", subparagraph (2).

17 25 b. This subsection is repealed June 30, 2028.

17 26 Sec. 19. Section 321.122, subsection 2, Code 2007, is
17 27 amended by striking the subsection.

17 28 Sec. 20. Section 321.123, Code 2007, is amended to read as
17 29 follows:

17 30 321.123 TRAILERS.

17 31 1. a. All trailers except farm trailers, mobile homes,
17 32 and manufactured homes, unless otherwise provided in this
17 33 section, are subject to a registration fee ~~of ten dollars.~~ as
17 34 follows:

17 35 (1) For trailers with an empty weight of two thousand
18 1 pounds or less, the annual registration fee is twenty dollars.

18 2 (2) For trailers with an empty weight in excess of two
18 3 thousand pounds, the annual registration fee is thirty
18 4 dollars.

18 5 b. Trailers for which the empty weight is two thousand
18 6 pounds or less are exempt from the certificate of title and
18 7 lien provisions of this chapter.

18 8 c. For trailers and semitrailers licensed under chapter
18 9 326, the annual registration fee for the permanent
18 10 registration plate shall be the applicable fee under paragraph
18 11 "a". The registration fees for a permanent registration
18 12 plate, at the option of the registrant, shall be remitted to
18 13 the department at five-year intervals or on an annual basis.

18 14 Fees collected under this section shall not be reduced or
18 15 prorated under chapter 326.

18 16 1- 2. a. Travel trailers and fifth-wheel travel trailers,
18 17 except those in manufacturer's or dealer's stock, shall be
18 18 subject to an annual fee of twenty cents per square foot of
18 19 floor space computed on the exterior overall measurements, but

18 20 excluding three feet occupied by any trailer hitch as provided
18 21 by and certified to by the owner, to the nearest whole dollar.
18 22 When a travel trailer or fifth-wheel travel trailer is
18 23 registered in Iowa for the first time or when title is
18 24 transferred, the annual fee shall be prorated on a monthly
18 25 basis. The annual fee shall be reduced to seventy-five
18 26 percent of the full fee after the vehicle is more than six
18 27 model years old.

18 28 b. A travel trailer may be stored under section 321.134,
18 29 provided the travel trailer is not used for human habitation
18 30 for any period during storage and is not moved upon the
18 31 highways of the state. A travel trailer stored under section
18 32 321.134 is not subject to a manufactured or mobile home tax
18 33 assessed under chapter 435.

18 34 ~~2- 3.~~ Motor trucks or truck tractors pulling trailers or
18 35 semitrailers shall be registered for the combined gross weight
19 1 of the motor truck or truck tractor and trailer or
19 2 semitrailer, except that:

19 3 a. Motor trucks registered for six tons or less not used
19 4 for hire, pulling trailers or semitrailers used by a person
19 5 engaged in farming to transport commodities produced by the
19 6 owner, or to transport commodities or livestock purchased by
19 7 the owner for use in the owner's own farming operation or used
19 8 by any person to transport horses shall not be subject to
19 9 registration for the gross weight of such trailer or
19 10 semitrailer provided the combined gross weight does not exceed
19 11 twelve tons, plus the tolerance provided for in section
19 12 321.466.

19 13 b. Motor trucks registered for six tons or less not used
19 14 for hire, pulling trailers or semitrailers used by a person in
19 15 the person's own operations shall not be subject to
19 16 registration for the gross weight of such trailer or
19 17 semitrailer provided the combined gross weight does not exceed
19 18 eight tons, plus the tolerance provided for in section
19 19 321.466.

19 20 Sec. 21. EFFECTIVE DATE AND APPLICABILITY. This division
19 21 of this Act takes effect January 1, 2009, and applies to
19 22 vehicles registered for registration years beginning in 2009
19 23 and subsequent years.

19 24 DIVISION V

19 25 TIME=21 FUNDING ANALYSIS

19 26 Sec. 22. TIME=21 FUNDING ANALYSIS. The department of
19 27 transportation shall conduct an analysis of the additional
19 28 revenues necessary to provide at least two hundred million
19 29 dollars annually to the TIME=21 fund by FY 2011=2012. The
19 30 analysis shall include but is not limited to the amount of
19 31 excise tax levied on motor fuel and adjustments that might be
19 32 made to various fees collected by the department in order to
19 33 create an appropriate balance of taxes and fees paid by Iowa
19 34 drivers and out-of-state drivers. The department shall submit
19 35 a report to the governor and the general assembly on or before
20 1 December 31, 2008, regarding its analysis.

20 2 DIVISION VI

20 3 USE TAX ON MOTOR VEHICLES REPEALED ==

20 4 FEE FOR NEW REGISTRATION IMPOSED

20 5 PART 1

20 6 ROAD USE TAX FUND

20 7 Sec. 23. Section 312.1, Code 2007, is amended to read as
20 8 follows:

20 9 312.1 FUND CREATED.

20 10 1. There is hereby created, in the state treasury, a road
20 11 use tax fund. ~~Said The~~ road use tax fund shall ~~embrace and~~
20 12 include all of the following:

20 13 ~~1- a.~~ All the net proceeds of the registration of motor
20 14 vehicles under chapter 321.

20 15 ~~2- b.~~ All the net proceeds of the motor fuel tax or
20 16 license fees under chapter 452A.

20 17 ~~3- c.~~ Revenue derived from the excise tax imposed upon
20 18 the rental of automobiles, under chapter 423C, ~~as to the~~
20 19 ~~extent~~ provided by section 423C.5.

~~20 20 4. To the extent provided in section 423.43, subsection 1,
20 21 paragraph "b", from revenue derived from the use tax, under
20 22 chapter 423 on motor vehicles, trailers, and motor vehicle
20 23 accessories and equipment.~~

20 24 ~~5- d.~~ Any other funds which may by law be credited to the
20 25 road use tax fund.

20 26 2. Notwithstanding section 12C.7, subsection 2, interest
20 27 or earnings on investments or time deposits of the moneys in
20 28 the road use tax fund and the funds to which moneys from the
20 29 road use tax fund are credited shall be credited to the road
20 30 use tax fund.

20 31 Sec. 24. Section 312.2, subsections 14 and 16, Code
20 32 Supplement 2007, are amended by striking the subsections.
20 33 Sec. 25. Section 312.2, Code Supplement 2007, is amended
20 34 by adding the following new subsection:
20 35 NEW SUBSECTION. 19. The treasurer of state, before making
21 1 the allotments provided for in this section, shall credit
21 2 monthly from the road use tax fund to the primary road fund an
21 3 amount equal to ten percent of the revenues collected from the
21 4 operation of section 321.105A, subsection 2, to be used for
21 5 the commercial and industrial highway network.

21 6 Sec. 26. Section 321.52A, Code 2007, is amended to read as
21 7 follows:

21 8 321.52A CERTIFICATE OF TITLE SURCHARGE == ALLOCATION OF
21 9 MONEYS.

21 10 ~~1.~~ In addition to the fee required for the issuance of a
21 11 certificate of title under section 321.20, 321.20A, 321.23,
21 12 321.42, 321.46, 321.47, 321.48, 321.50, or 321.52, a surcharge
21 13 of five dollars shall be required. Of each surcharge
21 14 collected under those sections, the county treasurer shall
21 15 remit five dollars to the office of treasurer of state for
21 16 deposit as set forth in section 321.145, subsection 2.

~~21 17 2. For the fiscal year beginning July 1, 2002, through the~~
~~21 18 fiscal year beginning July 1, 2006, the treasurer of state~~
~~21 19 shall deposit twenty percent of the moneys received under~~
~~21 20 subsection 1 in the waste tire management fund and deposit the~~
~~21 21 remainder in the road use tax fund. For the fiscal year~~
~~21 22 beginning July 1, 2007, and each subsequent fiscal year, the~~
~~21 23 treasurer of state shall deposit the entire amount of moneys~~
~~21 24 received under subsection 1 in the road use tax fund.~~

21 25 Sec. 27. Section 321.145, Code 2007, is amended to read as
21 26 follows:

21 27 321.145 DISPOSITION OF MONEYS AND FEES.

21 28 1. Except for fines, forfeitures, court costs, and the
21 29 collection fees retained by the county treasurer pursuant to
21 30 section 321.152, and except as provided in subsection 2,
21 31 moneys and motor vehicle license registration fees collected
21 32 under this chapter shall be credited by the treasurer of state
21 33 to the road use tax fund.

21 34 2. Revenues derived from trailer registration fees
21 35 collected pursuant to sections 321.105 and 321.105A, fees
22 1 charged for driver's licenses and nonoperator's identification
22 2 cards, fees charged for the issuance of a certificate of
22 3 title, the certificate of title surcharge collected pursuant
22 4 to section 321.52A, and revenues as necessary pursuant to
22 5 section 423.43, subsection 2, and section 423C.5 shall be
22 6 credited as follows:

22 7 a. Four million two hundred fifty thousand dollars per
22 8 quarter shall be deposited into and credited to the Iowa
22 9 comprehensive petroleum underground storage tank fund created
22 10 in section 455G.3, and the moneys so deposited are a
22 11 continuing appropriation for expenditure under chapter 455G,
22 12 and moneys so appropriated shall not be used for other
22 13 purposes.

22 14 b. Moneys remaining after the operation of paragraph "a"
22 15 shall be credited in order of priority as follows:

22 16 (1) An amount equal to four percent of the revenue from
22 17 the operation of section 321.105A, subsection 2, shall be
22 18 credited to the department, to be used for purposes of public
22 19 transit assistance under chapter 324A.

22 20 (2) An amount equal to one dollar per year of license
22 21 validity for each issued or renewed driver's license which is
22 22 valid for the operation of a motorcycle shall be credited to
22 23 the motorcycle rider education fund established under section
22 24 321.180B.

22 25 (3) The amounts required to be transferred pursuant to
22 26 section 321.34 from revenues available under this subsection
22 27 shall be transferred and credited as provided in section
22 28 321.34, subsections 7, 10, 10A, 11, 11A, 11B, 13, 16, 17, 18,
22 29 19, 20, 20A, 20B, 21, 22, 23, and 24 for the various purposes
22 30 specified in those subsections.

22 31 (4) Amounts certified by the railway finance authority
22 32 pursuant to section 327I.25 and appropriated to the authority
22 33 pursuant to section 327I.26, not to exceed two million dollars
22 34 annually.

22 35 (5) The department may direct the treasurer of state to
23 1 credit to the primary road fund any amount of such revenues to
23 2 the extent necessary to reimburse that fund for the
23 3 expenditures not otherwise eligible to be made from the
23 4 primary road fund, which are made for repairing, improving,
23 5 and maintaining bridges over the rivers bordering the state.
23 6 Expenditures for those portions of bridges within adjacent

23 7 states may be included when they are made pursuant to an
23 8 agreement entered into under section 313.63, 313A.34, or
23 9 314.10.

23 10 c. Any such revenues remaining shall be credited to the
23 11 road use tax fund.

23 12 Sec. 28. Section 423C.5, Code 2007, is amended to read as
23 13 follows:

23 14 423C.5 DEPOSIT OF REVENUE.

23 15 The department, at the direction of the department of
23 16 transportation, shall credit the revenue arising from the
23 17 operation of this chapter ~~shall be credited, as necessary to~~
23 18 ~~supplement the funds available for the purposes specified in~~
23 19 ~~section 321.145, subsection 2. Any such revenue remaining~~
23 20 ~~shall be credited to the road use tax fund.~~

23 21 PART 2

23 22 FEE FOR NEW VEHICLE REGISTRATION

23 23 Sec. 29. Section 321.1, Code 2007, is amended by adding
23 24 the following new subsection:

23 25 NEW SUBSECTION. 59A. "Registration fees", unless
23 26 otherwise specified, means both the annual vehicle
23 27 registration fee and the fee for new registration, to the
23 28 extent applicable, for purposes of administering the
23 29 provisions of this chapter concerning vehicle registration
23 30 fees.

23 31 Sec. 30. Section 321.2, Code 2007, is amended to read as
23 32 follows:

23 33 321.2 DEPARTMENT.

23 34 1. ~~The~~ Except as otherwise provided by law, the state
23 35 department of transportation shall administer and enforce the
24 1 provisions of this chapter.

24 2 2. The division of state patrol of the department of
24 3 public safety shall enforce the provisions of this chapter
24 4 relating to traffic on the public highways of the state,
24 5 including those relating to the safe and legal operation of
24 6 passenger cars, motorcycles, motor trucks and buses, and to
24 7 see that proper safety rules are observed.

24 8 3. The state department of transportation and the
24 9 department of public safety shall cooperate to insure the
24 10 proper and adequate enforcement of the provisions of this
24 11 chapter.

24 12 4. The director of revenue shall administer and enforce
24 13 the collection of the fee for new registration as provided in
24 14 section 321.105A.

24 15 Sec. 31. NEW SECTION. 321.105A FEE FOR NEW REGISTRATION.

24 16 1. DEFINITIONS. The following terms, when used in this
24 17 section, shall have the following meanings, except in those
24 18 instances where the context clearly indicates otherwise:

24 19 a. "Department" means the department of revenue.

24 20 b. "Director" means the director of revenue.

24 21 c. "Owner" means as defined in section 321.1. For
24 22 purposes of the fee for new registration imposed on leased
24 23 vehicles under subsection 3, "owner" means the "lessor".

24 24 d. "Purchase" means any transfer, exchange, or barter,
24 25 conditional or otherwise, in any manner or by any means
24 26 whatsoever, for consideration.

24 27 2. In addition to the annual registration fee required
24 28 under section 321.105, a "fee for new registration" is imposed
24 29 in the amount of five percent of the purchase price for each
24 30 vehicle subject to registration. The fee for new registration
24 31 shall be paid by the owner of the vehicle to the county
24 32 treasurer at the time application is made for a new
24 33 registration and certificate of title for the vehicle. A new
24 34 registration receipt shall not be issued until the fee has
24 35 been paid. The county treasurer or the department of
25 1 transportation shall require every applicant for a new
25 2 registration receipt for a vehicle subject to registration to
25 3 supply information as the county treasurer or the director
25 4 deems necessary as to the time of purchase, the purchase
25 5 price, and other information relative to the purchase of the
25 6 vehicle. On or before the tenth day of each month, the county
25 7 treasurer or the department of transportation shall remit to
25 8 the department of revenue the amount of the fees for new
25 9 registration collected during the preceding month.

25 10 a. For purposes of this subsection, "purchase price"
25 11 applies to the measure subject to the fee for new
25 12 registration. "Purchase price" shall be determined in the
25 13 same manner as "sales price" is determined for purposes of
25 14 computing the tax imposed upon the sales price of tangible
25 15 personal property under chapter 423, pursuant to the
25 16 definition in section 423.1, subsection 47, subject to the
25 17 following exemptions:

25 18 (1) Exempted from the purchase price of any vehicle
25 19 subject to registration is the amount of any cash rebate which
25 20 is provided by a motor vehicle manufacturer to the purchaser
25 21 of the vehicle subject to registration so long as the rebate
25 22 is applied to the purchase price of the vehicle.

25 23 (2) (a) In transactions, except those subject to
25 24 subparagraph subdivision (b), in which a vehicle subject to
25 25 registration is traded toward the purchase price of another
25 26 vehicle subject to registration, the purchase price is only
25 27 that portion of the purchase price which is valued in money,
25 28 whether received in money or not, if the following conditions
25 29 are met:

25 30 (i) The vehicle traded to the retailer is the type of
25 31 vehicle normally sold in the regular course of the retailer's
25 32 business.

25 33 (ii) The vehicle traded to the retailer is intended by the
25 34 retailer to be ultimately sold at retail or is intended to be
25 35 used by the retailer or another in the remanufacturing of a
26 1 like vehicle.

26 2 (b) In a transaction between persons, neither of which is
26 3 a retailer of vehicles subject to registration, in which a
26 4 vehicle subject to registration is traded toward the purchase
26 5 price of another vehicle subject to registration, the amount
26 6 of the trade-in value allowed on the vehicle subject to
26 7 registration traded is exempted from the purchase price.

26 8 (c) In order for the trade-in value to be excluded from
26 9 the purchase price, the name or names on the title and
26 10 registration of the vehicle being purchased must be the same
26 11 name or names on the title and registration of the vehicle
26 12 being traded. The following trades qualify under this
26 13 subparagraph subdivision (c):

26 14 (i) A trade involving spouses, if the traded vehicle and
26 15 the acquired vehicle are titled in the name of one or both of
26 16 the spouses, with no outside party named on the title.

26 17 (ii) A trade involving a grandparent, parent, or child,
26 18 including adopted and step relationships, if the name of one
26 19 of the family members from the title of the traded vehicle is
26 20 also on the title of the newly acquired vehicle.

26 21 (iii) A trade involving a business, if one of the owners
26 22 listed on the title of the traded vehicle is a business, and
26 23 the names on the title are separated by "or".

26 24 (iv) A trade in which the vehicle being purchased is
26 25 titled in the name of an individual other than the owner of
26 26 the traded vehicle due to the cosigning requirements of a
26 27 financial institution.

26 28 (3) Exempted from the purchase price of a replacement
26 29 motor vehicle owned by a motor vehicle dealer licensed under
26 30 chapter 322 which is being registered by that dealer and is
26 31 not otherwise exempt from the fee for new registration is the
26 32 fair market value of a replaced motor vehicle if all of the
26 33 following conditions are met:

26 34 (a) The motor vehicle being registered is being placed in
26 35 service as a replacement motor vehicle for a motor vehicle
27 1 registered by the motor vehicle dealer.

27 2 (b) The motor vehicle being registered is taken from the
27 3 motor vehicle dealer's inventory.

27 4 (c) Use tax or the fee for new registration on the motor
27 5 vehicle being replaced was paid by the motor vehicle dealer
27 6 when that motor vehicle was registered.

27 7 (d) The replaced motor vehicle is returned to the motor
27 8 vehicle dealer's inventory for sale.

27 9 (e) The application for registration and title of the
27 10 motor vehicle being registered is filed with the county
27 11 treasurer within two weeks of the date the replaced motor
27 12 vehicle is returned to the motor vehicle dealer's inventory.

27 13 (f) The motor vehicle being registered is placed in the
27 14 same or substantially similar service as the replaced motor
27 15 vehicle.

27 16 b. For purposes of this subsection, the fee for new
27 17 registration on a vehicle registered in this state by the
27 18 manufacturer of that vehicle from a manufacturer's statement
27 19 of origin is calculated on the base value of fifty percent of
27 20 the retail list price of the vehicle.

27 21 c. The following are exempt from the fee for new
27 22 registration imposed under this subsection, as long as a valid
27 23 affidavit is filed with the county treasurer at the time of
27 24 application for registration:

27 25 (1) Entities listed in section 423.3, subsections 17, 18,
27 26 19, 20, 21, 22, 26, 27, 28, 31, and 79, to the extent that
27 27 those entities are exempt from the tax imposed on the sale of
27 28 tangible personal property, consisting of goods, wares, or

27 29 merchandise, sold at retail in the state to consumers or
27 30 users.

27 31 (2) Vehicles as defined in section 321.1, subsections 41,
27 32 64A, 71, 85, and 88, except such vehicles subject to
27 33 registration which are designed primarily for carrying
27 34 persons, when purchased for lease and actually leased to a
27 35 lessee for use outside the state of Iowa and the subsequent
28 1 sole use in Iowa is in interstate commerce or interstate
28 2 transportation.

28 3 (3) (a) Vehicles subject to registration which are
28 4 transferred from a business or individual conducting a
28 5 business within this state as a sole proprietorship,
28 6 partnership, or limited liability company to a corporation
28 7 formed by the sole proprietorship, partnership, or limited
28 8 liability company for the purpose of continuing the business
28 9 when all of the stock of the corporation so formed is owned by
28 10 the sole proprietor and the sole proprietor's spouse, by all
28 11 the partners in the case of a partnership, or by all the
28 12 members in the case of a limited liability company. This
28 13 exemption is equally available where the vehicles subject to
28 14 registration are transferred from a corporation to a sole
28 15 proprietorship, partnership, or limited liability company
28 16 formed by that corporation for the purpose of continuing the
28 17 business when all of the incidents of ownership are owned by
28 18 the same person or persons who were stockholders of the
28 19 corporation.

28 20 (b) This exemption also applies where the vehicles subject
28 21 to registration are transferred from a corporation as part of
28 22 the liquidation of the corporation to its stockholders if
28 23 within three months of such transfer the stockholders
28 24 retransfer those vehicles subject to registration to a sole
28 25 proprietorship, partnership, or limited liability company for
28 26 the purpose of continuing the business of the corporation when
28 27 all of the incidents of ownership are owned by the same person
28 28 or persons who were stockholders of the corporation.

28 29 (c) This exemption applies to corporations that have been
28 30 in existence for not longer than twenty-four months.

28 31 (4) Vehicles subject to registration which are transferred
28 32 from a corporation that is primarily engaged in the business
28 33 of leasing vehicles subject to registration to a corporation
28 34 that is primarily engaged in the business of leasing vehicles
28 35 subject to registration when the transferor and transferee
29 1 corporations are part of the same controlled group for federal
29 2 income tax purposes.

29 3 (5) (a) Vehicles registered or operated under chapter 326
29 4 and used substantially in interstate commerce. For purposes
29 5 of this subparagraph (5), "substantially in interstate
29 6 commerce" means that a minimum of twenty-five percent of the
29 7 miles operated by the vehicle accrues in states other than
29 8 Iowa. This subparagraph (5) applies only to vehicles which
29 9 are registered for a gross weight of thirteen tons or more.

29 10 (b) For purposes of this subparagraph (5), trailers and
29 11 semitrailers registered or operated under chapter 326 are
29 12 deemed to be used substantially in interstate commerce and to
29 13 be registered for a gross weight of thirteen tons or more.

29 14 (c) For the purposes of this subparagraph (5), if a
29 15 vehicle meets the requirement that twenty-five percent of the
29 16 miles operated accrues in states other than Iowa in each year
29 17 of the first four-year period of operation, the exemption from
29 18 the fee for new registration shall continue until the vehicle
29 19 is sold or transferred. If the vehicle is found to have not
29 20 met the exemption requirements or the exemption was revoked,
29 21 the value of the vehicle upon which the fee for new
29 22 registration shall be imposed is based on the original
29 23 purchase price if revocation or nonqualification for this
29 24 exemption occurs during the first year following registration.
29 25 If revocation or nonqualification for this exemption occurs
29 26 after the first year following registration, the value of the
29 27 vehicle upon which the fee shall be imposed is the book or
29 28 market value, whichever is less, at the time the exemption
29 29 requirements were not met or the exemption was revoked.

29 30 (6) Vehicles subject to registration in any state when
29 31 purchased for rental or registered and titled by a motor
29 32 vehicle dealer licensed pursuant to chapter 322 for rental
29 33 use, and held for rental for a period of one hundred twenty
29 34 days or more and actually rented for periods of sixty days or
29 35 less by a person regularly engaged in the business of renting
30 1 vehicles including but not limited to motor vehicle dealers
30 2 licensed pursuant to chapter 322 who rent automobiles to
30 3 users, if the rental of the vehicles is subject to taxation
30 4 under chapter 423C.

30 5 (7) Vehicles subject to registration in this state for
30 6 which the applicant for registration has paid to another state
30 7 a state sales, use, or occupational tax. However, if the tax
30 8 paid to another state is less than the fee for new
30 9 registration calculated for the vehicle, the difference shall
30 10 be the amount to be collected as the fee for new registration.

30 11 (8) A vehicle subject to registration in this state which
30 12 is owned by a person who has moved from another state with the
30 13 intention of changing residency to Iowa, provided that the
30 14 vehicle was purchased for use in the state from which the
30 15 applicant moved and was not, at or near the time of purchase,
30 16 purchased for use in Iowa.

30 17 (9) A vehicle that was previously registered in this state
30 18 and was subsequently registered in another state is not
30 19 subject to the fee for new registration when it is again
30 20 registered in this state, provided that the applicant for
30 21 registration has maintained ownership of the vehicle since its
30 22 initial registration in this state and has previously paid the
30 23 use tax or fee for new registration for the vehicle in this
30 24 state.

30 25 (10) Vehicles transferred by operation of law as provided
30 26 in section 321.47.

30 27 (11) Vehicles for which ownership is transferred to or
30 28 from a revocable or irrevocable trust, if no consideration is
30 29 present.

30 30 (12) Vehicles transferred to the surviving corporation for
30 31 no consideration as a result of a corporate merger according
30 32 to the laws of this state in which the merging corporation is
30 33 immediately extinguished and dissolved.

30 34 (13) Vehicles purchased in this state by a nonresident for
30 35 removal to the nonresident's state of residence if the
31 1 purchaser applies to the county treasurer for a transit plate
31 2 under section 321.109.

31 3 (14) Vehicles purchased by a licensed motor vehicle dealer
31 4 for resale.

31 5 (15) Homemade vehicles built from parts purchased at
31 6 retail, upon which the consumer paid a tax to the seller, but
31 7 only on such vehicles never before registered. This exemption
31 8 does not apply for vehicles subject to registration which are
31 9 made by a manufacturer engaged in the business for the purpose
31 10 of sales or rental.

31 11 (16) Vehicles titled under a salvage certificate of title.
31 12 However, when such a vehicle has been repaired and a regular
31 13 certificate of title is applied for, the fee for new
31 14 registration is due as follows:

31 15 (a) If the owner of the vehicle is a licensed recycler,
31 16 unless the applicant is licensed as a vehicle dealer, the fee
31 17 for new registration applies based on the fair market value of
31 18 the vehicle, with deduction allowed for the cost of parts,
31 19 supplies, and equipment for which sales tax was paid and which
31 20 were used to rebuild the vehicle.

31 21 (b) If the owner is a person who is not licensed as a
31 22 recycler or vehicle dealer, the fee for new registration
31 23 applies based on the fair market value of the vehicle, with
31 24 deduction allowed for the cost of parts, frames, chassis, auto
31 25 bodies, or supplies that were purchased to rebuild the vehicle
31 26 and for which sales tax was paid.

31 27 (17) A vehicle delivered to a resident Native American
31 28 Indian on the reservation.

31 29 (18) A vehicle transferred from one individual to another
31 30 as a gift in a transaction in which no consideration is
31 31 present.

31 32 (19) A vehicle given by a corporation as a gift to a
31 33 retiring employee.

31 34 (20) A vehicle sold by an entity where the profits from
31 35 the sale are used by or donated to a nonprofit entity which is
32 1 exempt from federal income taxation pursuant to section
32 2 501(c)(3) of the Internal Revenue Code, a government entity,
32 3 or a nonprofit private educational institution, and where the
32 4 entire proceeds from the sale of the vehicle are expended for
32 5 any of the following purposes:

32 6 (a) Educational.
32 7 (b) Religious.
32 8 (c) Charitable. A charitable act is an act done out of
32 9 goodwill, benevolence, and a desire to add to or to improve
32 10 the good of humankind in general or any class or portion of
32 11 humankind, with no pecuniary profit inuring to the person
32 12 performing the service or giving the gift.

32 13 (21) A vehicle given or sold to be subsequently awarded as
32 14 a raffle prize under chapter 99B.

32 15 (22) A vehicle won as a raffle prize under chapter 99B.

32 16 (23) A vehicle that is directly and primarily used in the
32 17 recycling or reprocessing of waste products.

32 18 (24) Vehicles purchased by a licensed wholesaler of new
32 19 motor vehicles for resale.

32 20 (25) A vehicle repossessed by a vehicle dealer pursuant to
32 21 the uniform commercial code, chapter 554, provided there is a
32 22 valid lien on the title and the dealer anticipates reselling
32 23 the vehicle.

32 24 (26) A vehicle repossessed by a financial institution or
32 25 an individual by means of a foreclosure affidavit pursuant to
32 26 the uniform commercial code, chapter 554, provided there is a
32 27 valid lien on the vehicle and the foreclosure affidavit is
32 28 used for the sole purpose of retaining possession of the
32 29 vehicle until a new buyer is found. However, if the financial
32 30 institution or individual uses the foreclosure affidavit to
32 31 take title to the vehicle and register the vehicle, the new
32 32 registration fee shall be due based on the outstanding loan
32 33 amount on the vehicle.

32 34 (27) A damaged vehicle acquired by an insurance company
32 35 from a client or financial institution, provided the insurance
33 1 company has a vehicle dealers license.

33 2 (28) A vehicle returned to a manufacturer and titled in
33 3 the manufacturer's name under section 322G.12.

33 4 (29) A vehicle purchased directly by a federal, state, or
33 5 local governmental agency and titled in an individual's name
33 6 pursuant to a governmental program authorized by law.

33 7 3. LEASED VEHICLES.

33 8 a. A fee for new registration is imposed in an amount
33 9 equal to five percent of the leased price for each vehicle
33 10 subject to registration with a gross vehicle weight rating of
33 11 less than sixteen thousand pounds, excluding motorcycles and
33 12 motorized bicycles, which is leased by a lessor licensed
33 13 pursuant to chapter 321F for a period of twelve months or
33 14 more. The fee for new registration shall be paid by the owner
33 15 of the vehicle to the county treasurer from whom the
33 16 registration receipt or certificate of title is obtained. A
33 17 registration receipt for a vehicle subject to registration or
33 18 issuance of a certificate of title shall not be issued until
33 19 the fee for new registration is paid in the initial instance.

33 20 b. The amount of the lease price subject to the fee for
33 21 new registration shall be computed on each separate lease
33 22 transaction by taking the total of the lease payments, plus
33 23 the down payment, and excluding the following charges, if
33 24 included as part of the lease payment:

33 25 (1) Title fee.

33 26 (2) Annual registration fees.

33 27 (3) Fee for new registration.

33 28 (4) Federal excise taxes attributable to the sale of the
33 29 vehicle to the owner or to the lease of the vehicle by the
33 30 owner.

33 31 (5) Optional service or warranty contracts subject to tax
33 32 pursuant to section 423.2, subsection 1.

33 33 (6) Insurance.

33 34 (7) Manufacturer's rebate.

33 35 (8) Refundable deposit.

34 1 (9) Finance charges, if any, on items listed in
34 2 subparagraphs (1) through (8).

34 3 c. If any or all of the items in paragraph "b",
34 4 subparagraphs (1) through (8), are excluded from the lease
34 5 price subject to the fee for new registration, the owner shall
34 6 maintain adequate records of the amounts of those items. If
34 7 the parties to a lease enter into an agreement providing that
34 8 the fee for new registration is to be paid by the lessee or
34 9 included in the monthly lease payments to be paid by the
34 10 lessee, the total cost of the fee for new registration shall
34 11 not be included in the computation of the lease price for the
34 12 purpose of the fee for new registration under this section.
34 13 The county treasurer or the department of transportation shall
34 14 require every applicant for a registration receipt for a
34 15 vehicle subject to a fee for new registration to supply
34 16 information as the county treasurer or the director deems
34 17 necessary as to the date of the lease transaction, the lease
34 18 price, and other information relative to the lease of the
34 19 vehicle.

34 20 d. On or before the tenth day of each month, the county
34 21 treasurer or the department of transportation shall remit to
34 22 the department of revenue the amount of the fees for new
34 23 registration collected during the preceding month.

34 24 e. If the lease is terminated prior to the termination
34 25 date contained in the lease agreement, no refund shall be
34 26 allowed for a fee for new registration previously paid under

34 27 this section, except as provided in section 322G.4.

34 28 4. ADMINISTRATION AND ENFORCEMENT == DIRECTOR OF REVENUE.

34 29 a. The director of revenue in consultation with the
34 30 department of transportation shall administer and enforce the
34 31 fee for new registration as nearly as possible in conjunction
34 32 with the administration and enforcement of the state use tax
34 33 law, except that portion of the law which implements the
34 34 streamlined sales and use tax agreement. The director shall
34 35 provide appropriate forms, or provide on the annual
35 1 registration forms provided by the department of
35 2 transportation, for reporting the fee for new registration
35 3 liability.

35 4 b. Section 422.25, subsection 4, sections 422.30, 422.67,
35 5 and 422.68, section 422.69, subsection 1, sections 422.70,
35 6 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection
35 7 2, and sections 423.23, 423.24, 423.25, 423.32, 423.33,
35 8 423.35, 423.37 through 423.42, 423.45, and 423.47, consistent
35 9 with the provisions of this section, apply with respect to the
35 10 fees for new registration authorized under this section in the
35 11 same manner and with the same effect as if the fees for new
35 12 registration were retail use taxes within the meaning of those
35 13 statutes.

35 14 5. COLLECTIONS BY LICENSED DEALERS.

35 15 a. A licensed vehicle dealer maintaining a place of
35 16 business in this state who sells a vehicle subject to
35 17 registration for use in this state shall collect the fee for
35 18 new registration at the time of making the sale. A dealer
35 19 required to collect the fee for new registration shall give to
35 20 the purchaser a receipt for the fee in the manner and form
35 21 prescribed by the director. Fees collected by a dealer under
35 22 this section shall be forwarded to the county treasurer in the
35 23 same manner as annual registration fees.

35 24 b. If an amount of the fee for new registration
35 25 represented by a dealer to the purchaser of a vehicle is
35 26 computed upon a purchase price that is not subject to the fee
35 27 for new registration or the amount represented is in excess of
35 28 the actual amount subject to the fee and the amount
35 29 represented is actually paid by the purchaser to the dealer,
35 30 the excess amount of fee for new registration paid shall be
35 31 returned to the purchaser upon notification to the dealer by
35 32 the department that an excess payment exists.

35 33 c. If an amount of the fee for new registration
35 34 represented by a dealer to a purchaser is computed upon a
35 35 purchase price that is not subject to the fee for new
36 1 registration or the amount represented is in excess of the
36 2 actual amount subject to the fee and the amount represented is
36 3 actually paid by the purchaser to the dealer, the excess
36 4 amount of fee for new registration paid shall be returned to
36 5 the purchaser upon proper notification to the dealer by the
36 6 purchaser that an excess payment exists. "Proper"
36 7 notification is written notification which allows a dealer at
36 8 least sixty days to respond and which contains enough
36 9 information to allow a dealer to determine the validity of a
36 10 purchaser's claim that an excess amount of fee for new
36 11 registration has been paid. No cause of action shall accrue
36 12 against a dealer for excess fee for new registration paid
36 13 until sixty days after proper notice has been given the dealer
36 14 by the purchaser.

36 15 d. In the circumstances described in paragraphs "b" and
36 16 "c", a dealer has the option to either return any excess
36 17 amount of fee for new registration paid to a purchaser, or to
36 18 remit the amount which a purchaser has paid to the dealer to
36 19 the department.

36 20 6. REFUNDS.

36 21 a. A fee for new registration is not refundable, except in
36 22 the following circumstances:

36 23 (1) If a vehicle is sold and later returned to the seller
36 24 and the entire purchase price is refunded by the seller, the
36 25 purchaser is entitled to a refund of the fee for new
36 26 registration paid. To obtain a refund, the purchaser shall
36 27 make application on forms provided by the department and show
36 28 proof that the entire purchase price was returned and that the
36 29 fee for new registration had been paid.

36 30 (2) If a vehicle manufacturer reimburses a purchaser for
36 31 the fee for new registration paid on a returned defective
36 32 vehicle, the manufacturer may obtain a refund from the
36 33 department by providing proof that the fee was paid and the
36 34 purchaser reimbursed in accordance with the provisions of
36 35 chapter 322G.

37 1 (3) If the department determines that, as a result of a
37 2 mistake, an amount of the fee for new registration has been

37 3 paid which was not due, such amount shall be refunded to the
37 4 vehicle owner by the department.
37 5 b. A claim for refund under this subsection that has not
37 6 been filed with the department within three years after the
37 7 fee for new registration was paid shall not be allowed by the
37 8 director.
37 9 7. PENALTY FOR FALSE STATEMENT. A person who willfully
37 10 makes a false statement in regard to the purchase price of a
37 11 vehicle subject to a fee for new registration is guilty of a
37 12 fraudulent practice. A person who willfully makes a false
37 13 statement in regard to the purchase price of such a vehicle
37 14 with the intent to evade payment of the fee for new
37 15 registration shall be assessed a penalty of seventy-five
37 16 percent of the amount of the fee unpaid and required to be
37 17 paid on the actual purchase price less trade-in allowance.

37 18 PART 3

37 19 MOTOR VEHICLE USE TAX == REPEAL

37 20 Sec. 32. Section 423.6, subsection 6, Code 2007, is
37 21 amended to read as follows:

37 22 6. Tangible personal property or services the sales price
37 23 of which is exempt from the sales tax under section 423.3,
37 24 except subsections 39 and 73, as it relates to the sale, but
37 25 not the lease or rental, of vehicles ~~subject to registration~~
37 26 ~~or~~ subject only to the issuance of a certificate of title and
37 27 as it relates to aircraft subject to registration under
37 28 section 328.20.

37 29 Sec. 33. Section 423.6, subsections 8, 10, 11, 12, 16, 17,
37 30 18, 24, and 25, Code 2007, are amended by striking the
37 31 subsections.

37 32 Sec. 34. Section 423.14, subsection 2, paragraph a, Code
37 33 2007, is amended to read as follows:

37 34 a. The tax upon the use of all vehicles ~~subject to~~
37 35 ~~registration or~~ subject only to the issuance of a certificate
38 1 of title or the tax upon the use of manufactured housing shall
38 2 be collected by the county treasurer or the state department
38 3 of transportation pursuant to ~~sections~~ section 423.26 and
38 4 ~~423.27, subsection 1.~~ The county treasurer shall retain one
38 5 dollar from each tax payment collected, to be credited to the
38 6 county general fund.

38 7 Sec. 35. Section 423.26, Code 2007, is amended to read as
38 8 follows:

38 9 ~~423.26 VEHICLES SUBJECT TO REGISTRATION OR ONLY TO THE~~
38 10 ~~ISSUANCE OF TITLE == MANUFACTURED HOUSING == VEHICLE LEASE~~
38 11 ~~TRANSACTIONS NOT REQUIRING TITLE OR REGISTRATION.~~

38 12 1. a. The use tax imposed upon the use of vehicles
38 13 ~~subject to registration or~~ subject only to the issuance of a
38 14 certificate of title or imposed upon the use of manufactured
38 15 housing shall be paid by the owner of the vehicle or of the
38 16 manufactured housing to the county treasurer or the state
38 17 department of transportation from whom the ~~registration~~
38 18 ~~receipt or~~ certificate of title is obtained. A ~~registration~~
38 19 ~~receipt for a vehicle subject to registration or~~ certificate
38 20 of title shall not be issued until the tax has been paid. The
38 21 county treasurer or the state department of transportation
38 22 shall require every applicant for a ~~registration receipt for a~~
38 23 ~~vehicle subject to registration or~~ certificate of title to
38 24 supply information as the county treasurer or the director
38 25 deems necessary as to the time of purchase, the purchase
38 26 price, installed purchase price, and other information
38 27 relative to the purchase of the vehicle or manufactured
38 28 housing. On or before the tenth day of each month, the county
38 29 treasurer or the state department of transportation shall
38 30 remit to the department the amount of the taxes collected
38 31 during the preceding month.

38 32 b. A person who willfully makes a false statement in
38 33 regard to the purchase price of a vehicle subject to taxation
38 34 under this ~~section~~ subsection is guilty of a fraudulent
38 35 practice. A person who willfully makes a false statement in
39 1 regard to the purchase price of such a vehicle with the intent
39 2 to evade the payment of tax shall be assessed a penalty of
39 3 seventy-five percent of the amount of tax unpaid and required
39 4 to be paid on the actual purchase price less trade-in
39 5 allowance.

39 6 2. a. The use tax imposed upon the use of leased vehicles
39 7 if the lease transaction does not require titling or
39 8 registration of the vehicle shall be remitted to the
39 9 department. Tax and the reporting of tax due to the
39 10 department shall be remitted on or before fifteen days from
39 11 the last day of the month that the tax becomes due. Failure
39 12 to timely report or remit any of the tax when due shall result
39 13 in a penalty and interest being imposed on the tax due

39 14 pursuant to section 423.40, subsection 1, and section 423.42,
39 15 subsection 1.
39 16 b. The amount subject to tax shall be computed on each
39 17 separate lease transaction by taking the total of the lease
39 18 payments, plus the down payment, and excluding all of the
39 19 following:

- 39 20 (1) Title fee.
- 39 21 (2) Registration fees.
- 39 22 (3) Use tax pursuant to this subsection.
- 39 23 (4) Federal excise taxes attributable to the sale of the
39 24 vehicle to the owner or to the lease of the vehicle by the
39 25 owner.
- 39 26 (5) Optional service or warranty contracts subject to tax
39 27 pursuant to section 423.2, subsection 1.
- 39 28 (6) Insurance.
- 39 29 (7) Manufacturer's rebate.
- 39 30 (8) Refundable deposit.
- 39 31 (9) Finance charges, if any, on items listed in
39 32 subparagraphs (1) through (8).

39 33 c. If any or all of the items in paragraph "b",
39 34 subparagraphs (1) through (8) are excluded from the taxable
39 35 lease price, the owner shall maintain adequate records of the
40 1 amounts of those items. If the parties to a lease enter into
40 2 an agreement providing that the tax imposed under this
40 3 subsection is to be paid by the lessee or included in the
40 4 monthly lease payments to be paid by the lessee, the total
40 5 cost of the tax shall not be included in the computation of
40 6 lease price for the purpose of taxation under this subsection.

40 7 Sec. 36. Section 423.43, Code Supplement 2007, is amended
40 8 by striking the section and inserting in lieu thereof the
40 9 following:

40 10 423.43 DEPOSIT OF REVENUES.

40 11 1. Except as provided in subsection 2, all revenue arising
40 12 under the operation of the use tax under subchapter III shall
40 13 be deposited into the general fund of the state.

40 14 2. The department, at the direction of the department of
40 15 transportation, shall credit the revenue derived from the use
40 16 tax imposed pursuant to section 423.26 as necessary to
40 17 supplement the funds available for the purposes specified in
40 18 section 321.145, subsection 2. Any such revenue remaining
40 19 shall be deposited into the road use tax fund.

40 20 Sec. 37. Section 423.27, Code 2007, is repealed.

40 21 PART 4

40 22 CONFORMING AMENDMENTS

40 23 Sec. 38. Section 29A.101A, subsection 5, Code Supplement
40 24 2007, is amended to read as follows:

40 25 5. Rents or lease amounts unpaid for the period preceding
40 26 the effective date of the lease termination shall be paid on a
40 27 prorated basis. In the case of a vehicle lease, the lessor
40 28 shall not impose an early termination charge, but any ~~taxes,~~
40 29 summonses, ~~and~~ title and registration fees, including the fee
40 30 for new registration, and any other obligation and liability
40 31 of the lessee in accordance with the terms of the lease,
40 32 including reasonable charges to the lessee for excess wear,
40 33 use, and mileage, that are due and unpaid at the time of
40 34 termination of the lease shall be paid by the lessee.

40 35 Sec. 39. Section 321.17, Code 2007, is amended to read as
41 1 follows:

41 2 321.17 MISDEMEANOR TO VIOLATE REGISTRATION PROVISIONS.

41 3 It is a simple misdemeanor punishable as a scheduled
41 4 violation under section 805.8A, subsection 2, paragraph "b",
41 5 for any person to drive or move or for an owner knowingly to
41 6 permit to be driven or moved upon the highway a vehicle of a
41 7 type required to be registered under this chapter which is not
41 8 registered, or for which the appropriate ~~fee has~~ fees have not
41 9 been paid, except as provided in section 321.109, subsection
41 10 3.

41 11 Sec. 40. Section 321.19, subsection 1, unnumbered
41 12 paragraph 1, Code 2007, is amended to read as follows:

41 13 All vehicles owned or leased for a period of sixty days or
41 14 more by the government and used in the transaction of official
41 15 business by the representatives of foreign governments or by
41 16 officers, boards, or departments of the government of the
41 17 United States, and by the state, counties, municipalities and
41 18 other political subdivisions of the state including vehicles
41 19 used by an urban transit company operated by a municipality or
41 20 a regional transit system, and self-propelling vehicles used
41 21 neither for the conveyance of persons for hire, pleasure, or
41 22 business nor for the transportation of freight other than
41 23 those used by an urban transit company operated by a
41 24 municipality or a regional transit system, all fire trucks,

41 25 providing they are not owned and operated for a pecuniary
41 26 profit, and authorized emergency vehicles used only in
41 27 disaster relief owned and operated by an organization not
41 28 operated for pecuniary profit, are exempted from the payment
41 29 of the registration fees imposed by this chapter, except as
41 30 provided for urban transit companies in subsection 2, but are
41 31 not exempt from the penalties provided in this chapter.

41 32 Sec. 41. Section 321.20, subsection 1, paragraph a, Code
41 33 2007, is amended to read as follows:

41 34 a. The full legal name; social security number or Iowa
41 35 driver's license number or Iowa nonoperator's identification
42 1 card number; date of birth; bona fide residence; and mailing
42 2 address of the owner and of the lessee if the vehicle is being
42 3 leased. If the owner or lessee is a firm, association, or
42 4 corporation, the application shall contain the bona fide
42 5 business address and federal employer identification number of
42 6 the owner or lessee. Up to three owners' names may be listed
42 7 on the application. If the vehicle is a leased vehicle, the
42 8 application shall state whether the notice of registration
42 9 renewal shall be sent to the lessor or to the lessee and
42 10 whether the lessor or the lessee shall receive the
42 11 registration fee refund of the annual registration fee, if
42 12 any. Information relating to the lessee of a vehicle shall
42 13 not be required on an application for registration and a
42 14 certificate of title for a vehicle with a gross vehicle weight
42 15 rating of ten thousand pounds or more.

42 16 Sec. 42. Section 321.20, subsection 1, paragraph e, Code
42 17 2007, is amended to read as follows:

42 18 e. The amount of the fee for new registration to be paid
42 19 under section 321.105A or the amount of tax to be paid under
42 20 section 423.26, subsection 1.

42 21 Sec. 43. Section 321.20A, Code 2007, is amended to read as
42 22 follows:

42 23 321.20A CERTIFICATE OF TITLE AND REGISTRATION FEES ==
42 24 COMMERCIAL VEHICLES.

42 25 1. Notwithstanding other provisions of this chapter, the
42 26 owner of a commercial vehicle subject to the proportional
42 27 registration provisions of chapter 326 may make application to
42 28 the department or the appropriate county treasurer for a
42 29 certificate of title. The application for certificate of
42 30 title shall be made within thirty days of purchase or transfer
42 31 and shall be accompanied by a ten dollar title fee and the
42 32 appropriate use tax fee for new registration. The department
42 33 or the county treasurer shall deliver the certificate of title
42 34 to the owner if there is no security interest. If there is a
42 35 security interest, the title, when issued, shall be delivered
43 1 to the first secured party. Delivery may be made using
43 2 electronic means.

43 3 2. An owner of more than fifty commercial vehicles subject
43 4 to the proportional registration provisions of chapter 326 who
43 5 is issued a certificate of title under this section shall not
43 6 be subject to annual registration fees until the commercial
43 7 vehicle is driven or moved upon the highways. The annual
43 8 registration fee due shall be prorated for the remaining
43 9 unexpired months of the registration year. Ownership of the
43 10 commercial vehicle shall not be transferred until annual
43 11 registration fees have been paid to the department.

43 12 Sec. 44. Section 321.23, subsection 3, Code 2007, is
43 13 amended to read as follows:

43 14 3. In the event an applicant for registration of a foreign
43 15 vehicle for which a certificate of title has been issued is
43 16 able to furnish evidence of being the registered owner of the
43 17 vehicle to the county treasurer of the owner's residence,
43 18 although unable to surrender such certificate of title, the
43 19 county treasurer may issue a registration receipt and plates
43 20 upon receipt of the required annual registration fee and the
43 21 fee for new registration fee but shall not issue a certificate
43 22 of title thereto. Upon surrender of the certificate of title
43 23 from the foreign state, the county treasurer shall issue a
43 24 certificate of title to the owner, or person entitled thereto,
43 25 of such vehicle as provided in this chapter. The owner of a
43 26 vehicle registered under this subsection shall not be required
43 27 to obtain a certificate of title in this state and may
43 28 transfer ownership of the vehicle to a motor vehicle dealer
43 29 licensed under chapter 322 if, at the time of the transfer,
43 30 the certificate of title is held by a secured party and the
43 31 dealer has forwarded to the secured party the sum necessary to
43 32 discharge the security interest pursuant to section 321.48,
43 33 subsection 1.

43 34 Sec. 45. Section 321.24, subsections 1, 3, and 10, Code
43 35 Supplement 2007, are amended to read as follows:

44 1 1. Upon receipt of the application for title and payment
44 2 of the required fees for a motor vehicle, trailer, or
44 3 semitrailer, the county treasurer or the department shall,
44 4 when satisfied as to the application's genuineness and
44 5 regularity, and, in the case of a mobile home or manufactured
44 6 home, that taxes are not owing under chapter 423 or 435, issue
44 7 a certificate of title and, except for a mobile home or
44 8 manufactured home, a registration receipt, and shall file the
44 9 application, the manufacturer's or importer's certificate, the
44 10 certificate of title, or other evidence of ownership, as
44 11 prescribed by the department. The registration receipt shall
44 12 be delivered to the owner and shall contain upon its face the
44 13 date issued, the name and address of the owner, the
44 14 registration number assigned to the vehicle, the amount of the
44 15 fee paid, ~~the amount of tax paid pursuant to section 423.26,~~
44 16 the type of fuel used, a description of the vehicle as
44 17 determined by the department, and a form for notice of
44 18 transfer of the vehicle. The name and address of any lessee
44 19 of the vehicle shall not be printed on the registration
44 20 receipt or certificate of title. Up to three owners may be
44 21 listed on the registration receipt and certificate of title.

44 22 3. The certificate of title shall contain upon its face
44 23 the identical information required upon the face of the
44 24 registration receipt. In addition, the certificate of title
44 25 shall contain a statement of the owner's title, the title
44 26 number assigned to the owner or owners of the vehicle, ~~the~~
44 27 ~~amount of tax paid pursuant to section 423.26,~~ the name and
44 28 address of the previous owner, and a statement of all security
44 29 interests and encumbrances as shown in the application, upon
44 30 the vehicle described, including the nature of the security
44 31 interest, date of perfection, and name and address of the
44 32 secured party.

44 33 10. A vehicle shall be registered for the registration
44 34 year. A vehicle registered for the first time in this state
44 35 shall be registered for the remaining unexpired months of the
45 1 registration year and pay a an annual registration fee
45 2 prorated for the remaining unexpired months of the
45 3 registration year plus a fee for new registration if
45 4 applicable pursuant to section 321.105A. Except for a vehicle
45 5 registered under chapter 326, a vehicle registered for the
45 6 first time during the eleventh month of the owner's
45 7 registration year may be registered for the remaining
45 8 unexpired months of the registration year as provided in this
45 9 paragraph or for the remaining unexpired months of the
45 10 registration year and for the next registration year, upon
45 11 payment of the applicable registration fees.

45 12 Sec. 46. Section 321.26, subsection 2, Code 2007, is
45 13 amended to read as follows:

45 14 2. The county treasurer may adjust the renewal or
45 15 expiration date of vehicles when deemed necessary to equalize
45 16 the number of vehicles registered in each twelve-month period
45 17 or for the administrative efficiency of the county treasurer's
45 18 office. The adjustment shall be accomplished by delivery of a
45 19 written notice to the vehicle owner of the adjustment and
45 20 allowance of a credit for the remaining months of the unused
45 21 portion of the annual registration fee, rounded to the nearest
45 22 whole dollar, which amount shall be deducted from the annual
45 23 registration fee due at the time of registration. Upon
45 24 receipt of the notification the owner shall, within thirty
45 25 days, surrender the registration card and registration plates
45 26 to the county treasurer of the county where the vehicle is
45 27 registered, except that the registration plates shall not be
45 28 surrendered if validation stickers or other emblems are used
45 29 to designate the month and year of expiration of registration.
45 30 Upon payment of the annual registration fee, less the credit
45 31 allowed for the remaining months of the unused portion of the
45 32 annual registration fee, the county treasurer shall issue a
45 33 new registration card and registration plates, validation
45 34 stickers, or emblems which indicate the month and year of
45 35 expiration of registration.

46 1 Sec. 47. Section 321.30, subsection 1, paragraphs e and f,
46 2 Code Supplement 2007, are amended to read as follows:

46 3 e. That the required ~~fee has~~ registration fees have not
46 4 been paid except as provided in section 321.48.

46 5 f. ~~That~~ For a vehicle subject only to a certificate of
46 6 title or a manufactured home, that the required use tax has
46 7 not been paid.

46 8 Sec. 48. Section 321.30, subsection 3, paragraph b, Code
46 9 Supplement 2007, is amended to read as follows:

46 10 b. If the applicant for registration of the vehicle has
46 11 failed to pay the required annual registration ~~fees~~ fee or the

46 12 fee for new registration of any vehicle owned or previously
46 13 owned when the ~~registration~~ fee was required to be paid by the
46 14 applicant, and for which vehicle the registration was
46 15 suspended or revoked under section 321.101, subsection 1,
46 16 paragraph "d", or section 321.101A, until the ~~fees are~~ fee is
46 17 paid together with any accrued penalties.

46 18 Sec. 49. Section 321.34, subsection 2, unnumbered
46 19 paragraph 1, Code Supplement 2007, is amended to read as
46 20 follows:

46 21 In lieu of issuing new registration plates each
46 22 registration year for a vehicle renewing registration, the
46 23 department may reassign the registration plates previously
46 24 issued to the vehicle and may adopt and prescribe an annual
46 25 validation sticker indicating payment of annual registration
46 26 fees. The department shall issue one validation sticker for
46 27 each set of registration plates. The sticker shall specify
46 28 the month and year of expiration of the registration plates.
46 29 The sticker shall be displayed only on the rear registration
46 30 plate, except that the sticker shall be displayed on the front
46 31 registration plate of a truck tractor.

46 32 Sec. 50. Section 321.34, subsection 5, paragraphs b and c,
46 33 Code Supplement 2007, is amended to read as follows:

46 34 b. The county treasurer shall validate personalized
46 35 registration plates in the same manner as regular registration
47 1 plates are validated under this section at an annual fee of
47 2 five dollars in addition to the regular annual registration
47 3 fee. A person renewing a personalized registration plate
47 4 within one month following the time requirements under section
47 5 321.40 may renew the personalized plate without paying the
47 6 additional registration fee under paragraph "a" but shall pay
47 7 the five-dollar fee in addition to the regular annual
47 8 registration fee and any penalties subject to regular
47 9 registration plate holders for late renewal.

47 10 c. The fees collected by the director under this ~~section~~
47 11 subsection shall be paid to the treasurer of state and
47 12 credited by the treasurer of state as provided in section
47 13 321.145.

47 14 Sec. 51. Section 321.34, subsection 7, paragraph c, Code
47 15 Supplement 2007, is amended to read as follows:

47 16 c. (1) The fees for a collegiate registration plate are
47 17 as follows:

47 18 ~~(1)~~ (a) A registration fee of twenty-five dollars.

47 19 ~~(2)~~ (b) A special collegiate registration fee of
47 20 twenty-five dollars.

47 21 (2) These fees are in addition to the regular annual
47 22 registration fee. The fees collected by the director under
47 23 this subsection shall be paid monthly to the treasurer of
47 24 state and ~~credited by the treasurer of state to deposited in~~
47 25 the road use tax fund. ~~Notwithstanding section 423.43 and~~
~~47 26 prior to the revenues being credited to the road use tax fund~~
~~47 27 under section 423.43, subsection 1, paragraph "b", the The~~
47 28 treasurer of state shall credit monthly from ~~those revenues~~
~~47 29 respectively the revenues available for purposes of this~~
47 30 subsection under section 321.145, subsection 2, to Iowa state

47 31 university of science and technology, the university of
47 32 northern Iowa, and the state university of Iowa respectively,
47 33 the amount of the special collegiate registration fees
47 34 collected in the previous month for collegiate registration
47 35 plates designed for the university. The moneys credited are
48 1 appropriated to the respective universities to be used for
48 2 scholarships for students attending the universities.

48 3 Sec. 52. Section 321.34, subsection 10, paragraph c, Code
48 4 Supplement 2007, is amended to read as follows:

48 5 c. The special fees collected by the director under this
48 6 subsection shall be paid monthly to the treasurer of state and
48 7 ~~credited to deposited in~~ the road use tax fund.

~~48 8 Notwithstanding section 423.43, and prior to the crediting of~~
~~48 9 revenues to the road use tax fund under section 423.43,~~
~~48 10 subsection 1, paragraph "b", the The~~ treasurer of state shall
48 11 transfer monthly from ~~those revenues~~ the revenues available
48 12 for purposes of this subsection under section 321.145,

48 13 subsection 2, to the Paul Ryan memorial fire fighter safety
48 14 training fund created pursuant to section 100B.12 the amount
48 15 of the special fees collected in the previous month for the
48 16 fire fighter plates.

48 17 Sec. 53. Section 321.34, subsection 10A, paragraph b, Code
48 18 Supplement 2007, is amended to read as follows:

48 19 b. The special fees collected by the director under this
48 20 subsection shall be paid monthly to the treasurer of state and
48 21 ~~credited to deposited in~~ the road use tax fund.

48 22 ~~Notwithstanding section 423.43, and prior to the crediting of~~

~~48 23 revenues to the road use tax fund under section 423.43,~~
~~48 24 subsection 1, paragraph "b", the The~~ treasurer of state shall
~~48 25 transfer monthly from those revenues the revenues available~~
~~48 26 for purposes of this subsection under section 321.145,~~
~~48 27 subsection 2,~~ to the emergency medical services fund created
~~48 28 in section 135.25 the amount of the special fees collected in~~
~~48 29 the previous month for issuance of emergency medical services~~
~~48 30 plates.~~

48 31 Sec. 54. Section 321.34, subsection 11, paragraph c, Code
48 32 Supplement 2007, is amended to read as follows:

48 33 c. (1) The special natural resources fee for letter
48 34 number designated natural resources plates is forty=five
48 35 dollars. The fee for personalized natural resources plates is
49 1 forty=five dollars which shall be paid in addition to the
49 2 special natural resources fee of forty=five dollars. The fees
49 3 collected by the director under this subsection shall be paid
49 4 monthly to the treasurer of state and ~~credited to~~ deposited in
49 5 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~49 6 prior to the crediting of revenues to the road use tax fund~~
~~49 7 under section 423.43, subsection 1, paragraph "b", the The~~ The
49 8 treasurer of state shall credit monthly from ~~those revenues~~
49 9 the revenues available for purposes of this subsection under
49 10 section 321.145, subsection 2, to the Iowa resources

49 11 enhancement and protection fund created pursuant to section
49 12 455A.18, the amount of the special natural resources fees
49 13 collected in the previous month for the natural resources
49 14 plates.

49 15 (2) From the moneys credited to the Iowa resources
49 16 enhancement and protection fund under ~~this paragraph "c",~~
49 17 subparagraph (1), ten dollars of the fee collected for each
49 18 natural resources plate issued, and fifteen dollars from each
49 19 renewal fee, shall be allocated to the department of natural
49 20 resources wildlife bureau to be used for nongame wildlife
49 21 programs.

49 22 Sec. 55. Section 321.34, subsection 11A, paragraph c, Code
49 23 Supplement 2007, is amended to read as follows:

49 24 c. The special fee for letter number designated love our
49 25 kids plates is thirty=five dollars. The fee for personalized
49 26 love our kids plates is twenty=five dollars, which shall be
49 27 paid in addition to the special love our kids fee of
49 28 thirty=five dollars. The fees collected by the director under
49 29 this subsection shall be paid monthly to the treasurer of
49 30 state and ~~credited to~~ deposited in the road use tax fund.
49 31 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~49 32 revenues to the road use tax fund under section 423.43,~~
~~49 33 subsection 1, paragraph "b", the The~~ treasurer of state shall
49 34 transfer monthly from ~~those revenues~~ the revenues available
49 35 for purposes of this subsection under section 321.145,

50 1 subsection 2, to the Iowa department of public health the
50 2 amount of the special fees collected in the previous month for
50 3 the love our kids plates. Notwithstanding section 8.33,
50 4 moneys transferred under this subsection shall not revert to
50 5 the general fund of the state.

50 6 Sec. 56. Section 321.34, subsection 11B, paragraph c, Code
50 7 Supplement 2007, is amended to read as follows:

50 8 c. The special fee for letter number designated motorcycle
50 9 rider education plates is thirty=five dollars. The fee for
50 10 personalized motorcycle rider education plates is twenty=five
50 11 dollars, which shall be paid in addition to the special
50 12 motorcycle rider education fee of thirty=five dollars. The
50 13 fees collected by the director under this subsection shall be
50 14 paid monthly to the treasurer of state and ~~credited to~~
50 15 deposited in the road use tax fund. ~~Notwithstanding section~~
~~50 16 423.43, and prior to the crediting of revenues to the road use~~
~~50 17 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~50 18 the The~~ treasurer of state shall transfer monthly from ~~those~~
~~50 19 revenues~~ the revenues available for purposes of this
50 20 subsection under section 321.145, subsection 2, to the
50 21 department for use in accordance with section 321.180B,
50 22 subsection 6, the amount of the special fees collected in the
50 23 previous month for the motorcycle rider education plates.

50 24 Sec. 57. Section 321.34, subsection 13, paragraph d, Code
50 25 Supplement 2007, is amended to read as follows:

50 26 d. A state agency may submit a request to the department
50 27 recommending a special registration plate. The alternate fee
50 28 for letter number designated plates is thirty=five dollars
50 29 with a ten dollar annual special renewal fee. The fee for
50 30 personalized plates is twenty=five dollars which is in
50 31 addition to the alternative fee of thirty=five dollars with an
50 32 annual personalized plate renewal fee of five dollars which is
50 33 in addition to the special renewal fee of ten dollars. The

50 34 alternate fees are in addition to the regular annual
50 35 registration fee. The alternate fees collected under this
51 1 paragraph shall be paid monthly to the treasurer of state and
51 2 ~~credited to deposited in the road use tax fund.~~
51 3 ~~Notwithstanding section 423.43, and prior to the crediting of~~
51 4 ~~the revenues to the road use tax fund under section 423.43,~~
51 5 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
51 6 credit monthly from the revenues available for purposes of
51 7 this subsection under section 321.145, subsection 2, the
51 8 amount of the alternate fees collected in the previous month
51 9 to the state agency that recommended the special registration
51 10 plate.

51 11 Sec. 58. Section 321.34, subsection 16, unnumbered
51 12 paragraph 1, Code Supplement 2007, is amended to read as
51 13 follows:

51 14 An owner referred to in subsection 12 who is a member of
51 15 the national guard, as defined in chapter 29A, may, upon
51 16 written application to the department, order special
51 17 registration plates with a national guard processed emblem
51 18 with the emblem designed by the department in cooperation with
51 19 the adjutant general which emblem signifies that the applicant
51 20 is a member of the national guard. The application shall be
51 21 approved by the department in consultation with the adjutant
51 22 general. The special plate fees collected by the director
51 23 under subsection 12, paragraph "a", from the issuance and
51 24 annual validation of letter=number designated and personalized
51 25 national guard plates shall be paid monthly to the treasurer
51 26 of state and ~~credited to deposited in the road use tax fund.~~
51 27 ~~Notwithstanding section 423.43, and prior to the crediting of~~
51 28 ~~revenues to the road use tax fund under section 423.43,~~
51 29 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
51 30 transfer monthly from those revenues the revenues available
51 31 for purposes of this subsection under section 321.145,

51 32 subsection 2, to the veterans license fee fund created in
51 33 section 35A.11 the amount of the special fees collected in the
51 34 previous month for national guard plates. Special
51 35 registration plates with a national guard processed emblem
52 1 shall be surrendered, as provided in subsection 12, in
52 2 exchange for regular registration plates upon termination of
52 3 the owner's membership in the active national guard.

52 4 Sec. 59. Section 321.34, subsection 17, unnumbered
52 5 paragraph 1, Code Supplement 2007, is amended to read as
52 6 follows:

52 7 An owner referred to in subsection 12 who was at Pearl
52 8 Harbor, Hawaii, as a member of the armed services of the
52 9 United States on December 7, 1941, may, upon written
52 10 application to the department, order special registration
52 11 plates with a Pearl Harbor processed emblem. The emblem shall
52 12 be designed by the department in consultation with service
52 13 organizations. The application is subject to approval by the
52 14 department. The special plate fees collected by the director
52 15 under subsection 12, paragraph "a", from the issuance and
52 16 annual validation of letter=number designated and personalized
52 17 Pearl Harbor plates shall be paid monthly to the treasurer of
52 18 state and ~~credited to deposited in the road use tax fund.~~
52 19 ~~Notwithstanding section 423.43, and prior to the crediting of~~
52 20 ~~revenues to the road use tax fund under section 423.43,~~
52 21 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
52 22 transfer monthly from those revenues the revenues available
52 23 for purposes of this subsection under section 321.145,

52 24 subsection 2, to the veterans license fee fund created in
52 25 section 35A.11 the amount of the special fees collected in the
52 26 previous month for Pearl Harbor plates.

52 27 Sec. 60. Section 321.34, subsection 18, unnumbered
52 28 paragraph 1, Code Supplement 2007, is amended to read as
52 29 follows:

52 30 An owner referred to in subsection 12 who was awarded a
52 31 purple heart medal by the United States government for wounds
52 32 received in military or naval combat against an armed enemy of
52 33 the United States may, upon written application to the
52 34 department and presentation of satisfactory proof of the award
52 35 of the purple heart medal, order special registration plates
53 1 with a purple heart processed emblem. The design of the
53 2 emblem shall include a representation of a purple heart medal
53 3 and ribbon. The application is subject to approval by the
53 4 department in consultation with the adjutant general. The
53 5 special plate fees collected by the director under subsection
53 6 12, paragraph "a", from the issuance and annual validation of
53 7 letter=number designated and personalized purple heart plates
53 8 shall be paid monthly to the treasurer of state and ~~credited~~
53 9 ~~to deposited in the road use tax fund. Notwithstanding~~

~~53 10 section 423.43, and prior to the crediting of revenues to the~~
~~53 11 road use tax fund under section 423.43, subsection 1,~~
~~53 12 paragraph "b", the The~~ treasurer of state shall transfer
53 13 monthly from ~~those revenues~~ the revenues available for
53 14 purposes of this subsection under section 321.145, subsection
53 15 2, to the veterans license fee fund created in section 35A.11
53 16 the amount of the special fees collected in the previous month
53 17 for purple heart plates.

53 18 Sec. 61. Section 321.34, subsection 19, unnumbered
53 19 paragraph 1, Code Supplement 2007, is amended to read as
53 20 follows:

53 21 An owner referred to in subsection 12 who is a retired
53 22 member of the United States armed forces may, upon written
53 23 application to the department and upon presentation of
53 24 satisfactory proof of membership, order special registration
53 25 plates with a United States armed forces retired processed
53 26 emblem. The emblem shall be designed by the department in
53 27 consultation with service organizations. The application is
53 28 subject to approval by the department. For purposes of this
53 29 subsection, a person is considered to be retired if the person
53 30 is recognized by the United States armed forces as retired
53 31 from the United States armed forces. The special plate fees
53 32 collected by the director under subsection 12, paragraph "a",
53 33 from the issuance and annual validation of letter=number
53 34 designated and personalized armed forces retired plates shall
53 35 be paid monthly to the treasurer of state and ~~credited to~~
54 1 deposited in the road use tax fund. ~~Notwithstanding section~~
~~54 2 423.43, and prior to the crediting of revenues to the road use~~
~~54 3 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~54 4 the The~~ treasurer of state shall transfer monthly from ~~those~~
~~54 5 revenues~~ the revenues available for purposes of this
54 6 subsection under section 321.145, subsection 2, to the
54 7 veterans license fee fund created in section 35A.11 the amount
54 8 of the special fees collected in the previous month for armed
54 9 forces retired plates.

54 10 Sec. 62. Section 321.34, subsection 20, unnumbered
54 11 paragraph 1, Code Supplement 2007, is amended to read as
54 12 follows:

54 13 An owner referred to in subsection 12 who was awarded a
54 14 silver or a bronze star by the United States government, may,
54 15 upon written application to the department and presentation of
54 16 satisfactory proof of the award of the silver or bronze star,
54 17 order special registration plates with a silver or bronze star
54 18 processed emblem. The emblem shall be designed by the
54 19 department in consultation with the adjutant general. The
54 20 special plate fees collected by the director under subsection
54 21 12, paragraph "a", from the issuance and annual validation of
54 22 letter=number designated and personalized silver star and
54 23 bronze star plates shall be paid monthly to the treasurer of
54 24 state and ~~credited to~~ deposited in the road use tax fund.
~~54 25 Notwithstanding section 423.43, and prior to the crediting of~~
~~54 26 revenues to the road use tax fund under section 423.43,~~
~~54 27 subsection 1, paragraph "b", the The~~ treasurer of state shall
54 28 transfer monthly from ~~those revenues~~ the revenues available
54 29 for purposes of this subsection under section 321.145,
54 30 subsection 2, to the veterans license fee fund created in
54 31 section 35A.11 the amount of the special fees collected in the
54 32 previous month for silver star and bronze star plates.

54 33 Sec. 63. Section 321.34, subsection 20A, unnumbered
54 34 paragraph 1, Code Supplement 2007, is amended to read as
54 35 follows:

55 1 An owner referred to in subsection 12 who was awarded a
55 2 distinguished service cross, a navy cross, or an air force
55 3 cross by the United States government may, upon written
55 4 application to the department and presentation of satisfactory
55 5 proof of the award, order special registration plates with a
55 6 distinguished service cross, navy cross, or air force cross
55 7 processed emblem. The emblem shall be designed by the
55 8 department in consultation with the adjutant general. The
55 9 special plate fees collected by the director under subsection
55 10 12, paragraph "a", from the issuance and annual validation of
55 11 letter=number designated and personalized distinguished
55 12 service cross, navy cross, and air force cross plates shall be
55 13 paid monthly to the treasurer of state and ~~credited to~~
55 14 deposited in the road use tax fund. ~~Notwithstanding section~~
~~55 15 423.43, and prior to the crediting of revenues to the road use~~
~~55 16 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~55 17 the The~~ treasurer of state shall transfer monthly from ~~those~~
~~55 18 revenues~~ the revenues available for purposes of this
55 19 subsection under section 321.145, subsection 2, to the
55 20 veterans license fee fund created in section 35A.11 the amount

55 21 of the special fees collected in the previous month for
55 22 distinguished service cross, navy cross, and air force cross
55 23 plates.

55 24 Sec. 64. Section 321.34, subsection 20B, unnumbered
55 25 paragraph 1, Code Supplement 2007, is amended to read as
55 26 follows:

55 27 An owner referred to in subsection 12 who was awarded a
55 28 soldier's medal, a navy and marine corps medal, or an airman's
55 29 medal by the United States government may, upon written
55 30 application to the department and presentation of satisfactory
55 31 proof of the award, order special registration plates with a
55 32 soldier's medal, navy and marine corps medal, or airman's
55 33 medal processed emblem. The emblem shall be designed by the
55 34 department in consultation with the adjutant general. The
55 35 special plate fees collected by the director under subsection
56 1 12, paragraph "a", from the issuance and annual validation of
56 2 letter=number designated and personalized soldier's medal,
56 3 navy and marine corps medal, and airman's medal plates shall
56 4 be paid monthly to the treasurer of state and ~~credited to~~
56 5 ~~deposited in~~ the road use tax fund. ~~Notwithstanding section~~
~~56 6 423.43, and prior to the crediting of revenues to the road use~~
~~56 7 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~56 8 the The~~ treasurer of state shall transfer monthly from those
~~56 9 revenues the revenues available for purposes of this~~
~~56 10 subsection under section 321.145, subsection 2,~~ to the
56 11 veterans license fee fund created in section 35A.11 the amount
56 12 of the special fees collected in the previous month for
56 13 soldier's medal, navy and marine corps medal, and airman's
56 14 medal plates.

56 15 Sec. 65. Section 321.34, subsection 21, paragraph c, Code
56 16 Supplement 2007, is amended to read as follows:

56 17 c. The special fees collected by the director under this
56 18 subsection shall be paid monthly to the treasurer of state and
56 19 ~~credited to deposited in~~ the road use tax fund.
56 20 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~56 21 revenues to the road use tax fund under section 423.43,~~
~~56 22 subsection 1, paragraph "b", the The~~ treasurer of state shall
56 23 credit monthly from the revenues available for purposes of
~~56 24 this subsection under section 321.145, subsection 2,~~ to the
56 25 Iowa heritage fund created under section 303.9A the amount of
56 26 the special fees collected in the previous month for the Iowa
56 27 heritage plates.

56 28 Sec. 66. Section 321.34, subsection 22, paragraph b, Code
56 29 Supplement 2007, is amended to read as follows:

56 30 b. The special school transportation fee for letter number
56 31 designated education plates is thirty=five dollars. The fee
56 32 for personalized education plates is twenty=five dollars,
56 33 which shall be paid in addition to the special school
56 34 transportation fee of thirty=five dollars. The annual special
56 35 school transportation fee is ten dollars for letter number
57 1 designated registration plates and is fifteen dollars for
57 2 personalized registration plates which shall be paid in
57 3 addition to the regular annual registration fee. The fees
57 4 collected by the director under this subsection shall be paid
57 5 monthly to the treasurer of state and ~~credited to deposited in~~
57 6 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~57 7 prior to the crediting of revenues to the road use tax fund~~
~~57 8 under section 423.43, subsection 1, paragraph "b", the The~~
57 9 treasurer of state shall transfer monthly from those revenues
57 10 the revenues available for purposes of this subsection under
~~57 11 section 321.145, subsection 2,~~ to the school budget review
57 12 committee in accordance with section 257.31, subsection 17,
57 13 the amount of the special school transportation fees collected
57 14 in the previous month for the education plates.

57 15 Sec. 67. Section 321.34, subsection 23, paragraph c, Code
57 16 Supplement 2007, is amended to read as follows:

57 17 c. The special fee for letter number designated breast
57 18 cancer awareness plates is thirty=five dollars. The fee for
57 19 personalized breast cancer awareness plates is twenty=five
57 20 dollars, which shall be paid in addition to the special breast
57 21 cancer awareness fee of thirty=five dollars. The fees
57 22 collected by the director under this subsection shall be paid
57 23 monthly to the treasurer of state and ~~credited to deposited in~~
57 24 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~57 25 prior to the crediting of revenues to the road use tax fund~~
~~57 26 under section 423.43, subsection 1, paragraph "b", the The~~
57 27 treasurer of state shall transfer monthly from those revenues
57 28 the revenues available for purposes of this subsection under
~~57 29 section 321.145, subsection 2,~~ to the Iowa department of
57 30 public health the amount of the special fees collected in the
57 31 previous month for the breast cancer awareness plates and such

57 32 funds are appropriated to the Iowa department of public
57 33 health. The Iowa department of public health shall distribute
57 34 one hundred percent of the funds received monthly in the form
57 35 of grants to support breast cancer screenings for both men and
58 1 women who meet eligibility requirements like those established
58 2 by the Susan G. Komen foundation. In the awarding of grants,
58 3 the Iowa department of public health shall give first
58 4 consideration to affiliates of the Susan G. Komen foundation
58 5 and similar nonprofit organizations providing for breast
58 6 cancer screenings at no cost in Iowa. Notwithstanding section
58 7 8.33, moneys transferred under this subsection shall not
58 8 revert to the general fund of the state.

58 9 Sec. 68. Section 321.34, subsection 24, Code Supplement
58 10 2007, is amended to read as follows:

58 11 24. GOLD STAR PLATES. An owner referred to in subsection
58 12 12 who is the surviving spouse, parent, child, or sibling of a
58 13 deceased member of the United States armed forces who died
58 14 while serving on active duty during a time of military
58 15 conflict may order special registration plates bearing a gold
58 16 star emblem upon written application to the department
58 17 accompanied by satisfactory supporting documentation as
58 18 determined by the department. The gold star emblem shall be
58 19 designed by the department in cooperation with the commission
58 20 of veterans affairs. The special plate fees collected by the
58 21 director under subsection 12, paragraph "a", from the issuance
58 22 and annual validation of letter-number designated and
58 23 personalized gold star plates shall be paid monthly to the
58 24 treasurer of state and ~~credited to deposited in the road use~~
58 25 ~~tax fund. Notwithstanding section 423.43, and prior to the~~
~~58 26 ~~crediting of revenues to the road use tax fund under section~~~~
~~58 27 ~~423.43, subsection 1, paragraph "b", the~~ The treasurer of~~
58 28 state shall transfer monthly from ~~those revenues the revenues~~
58 29 available for purposes of this subsection under section
58 30 321.145, subsection 2, to the veterans license fee fund
58 31 created in section 35A.11 the amount of the special fees
58 32 collected in the previous month for gold star plates.

58 33 Sec. 69. Section 321.39, subsections 3 and 4, Code 2007,
58 34 are amended to read as follows:

58 35 3. For vehicles on which the first installment of an
59 1 annual registration fee has been paid, at midnight on the last
59 2 day of June or the first business day of July when June 30
59 3 falls on Saturday, Sunday, or a holiday; for vehicles on which
59 4 the second installment of an annual registration fee has been
59 5 paid, at midnight on the last day of December or the first
59 6 business day of January when December 31 falls on Saturday,
59 7 Sunday, or a holiday.

59 8 4. For vehicles registered without payment of annual
59 9 registration fees as provided in section 321.19, when
59 10 designated by the department.

59 11 5. Registration for every vehicle registered by the county
59 12 treasurer shall expire upon transfer of ownership.

59 13 Sec. 70. Section 321.40, subsection 1, Code Supplement
59 14 2007, is amended to read as follows:

59 15 1. Application for renewal of a vehicle registration shall
59 16 be made on or after the first day of the month prior to the
59 17 month of expiration of registration and up to and including
59 18 the last day of the month following the month of expiration of
59 19 registration. The registration shall be renewed upon payment
59 20 of the appropriate annual registration fee. Application for
59 21 renewal for a vehicle registered under chapter 326 shall be
59 22 made on or after the first day of the month of expiration of
59 23 registration and up to and including the last day of the month
59 24 following the month of expiration of registration.

59 25 Sec. 71. Section 321.46, subsections 2, 3, 4, 6, and 7,
59 26 Code 2007, are amended to read as follows:

59 27 2. Upon filing the application for a new registration and
59 28 a new title, the applicant shall pay a title fee of ten
59 29 dollars ~~and a~~ an annual registration fee prorated for the
59 30 remaining unexpired months of the registration year, and a fee
59 31 for new registration if applicable. A manufacturer applying

59 32 for a certificate of title pursuant to section 322G.12 shall
59 33 pay a title fee of two dollars. However, a title fee shall
59 34 not be charged to a manufactured or mobile home retailer
59 35 applying for a certificate of title for a used mobile home or
60 1 manufactured home, titled in Iowa, as required under section
60 2 321.45, subsection 4. The county treasurer, if satisfied of
60 3 the genuineness and regularity of the application, and in the
60 4 case of a mobile home or manufactured home, that taxes are not
60 5 owing under chapter 435, and that applicant has complied with
60 6 all the requirements of this chapter, shall issue a new
60 7 certificate of title and, except for a mobile home,

60 8 manufactured home, or a vehicle returned to and accepted by a
60 9 manufacturer as described in section 322G.12, a registration
60 10 card to the purchaser or transferee, shall cancel the prior
60 11 registration for the vehicle, and shall forward the necessary
60 12 copies to the department on the date of issuance, as
60 13 prescribed in section 321.24. Mobile homes or manufactured
60 14 homes titled under chapter 448 that have been subject under
60 15 section 446.18 to a public bidder sale in a county shall be
60 16 titled in the county's name, with no fee, and the county
60 17 treasurer shall issue the title.

60 18 3. The applicant shall be entitled to a credit for that
60 19 portion of the annual registration fee of the vehicle sold,
60 20 traded, or junked which had not expired prior to the transfer
60 21 of ownership of the vehicle. The annual registration fee for
60 22 the new registration for the vehicle acquired shall be reduced
60 23 by the amount of the credit. The credit shall be computed on
60 24 the basis of the number of months remaining in the
60 25 registration year, rounded to the nearest whole dollar. The
60 26 credit shall be subject to the following limitations:

60 27 a. The credit shall be claimed within thirty days from the
60 28 date the vehicle for which credit is granted was sold,
60 29 transferred, or junked. After thirty days, all credits shall
60 30 be disallowed.

60 31 b. Any credit granted to the owner of a vehicle which has
60 32 been sold, traded, or junked may only be claimed by that
60 33 person toward the annual registration fee for another vehicle
60 34 purchased and the credit may not be sold, transferred, or
60 35 assigned to any other person.

61 1 c. When the amount of the credit is computed to be an
61 2 amount of less than ten dollars, a credit shall be disallowed.

61 3 d. To claim a credit for the unexpired annual registration
61 4 fee on a junked vehicle, the county treasurer shall disallow
61 5 any claim for credit unless the owner presents a junking
61 6 certificate or other evidence as required by the department to
61 7 the county treasurer.

61 8 e. A credit shall not be allowed to any person who has
61 9 made claim to receive a refund under section 321.126.

61 10 f. If the credit allowed exceeds the amount of the annual
61 11 registration fee for the vehicle acquired, the owner may claim
61 12 a refund under section 321.126, subsection 6, for the balance
61 13 of the credit.

61 14 g. The credit shall be computed on the unexpired number of
61 15 months computed from the date of purchase of the vehicle
61 16 acquired.

61 17 4. If the annual registration fee upon application is
61 18 delinquent, the applicant shall be required to pay the
61 19 delinquent fee from the first day the annual registration fee
61 20 was due prorated to the month of application for new title.

61 21 6. An applicant for a new registration for a vehicle
61 22 transferred to the applicant by a spouse, parent, or child of
61 23 the applicant, or by operation of law upon inheritance, devise
61 24 or bequest, from the applicant's spouse, parent, or child, or
61 25 by a former spouse pursuant to a decree of dissolution of
61 26 marriage, is entitled to a credit to be applied to the annual
61 27 registration fee for the transferred vehicle. A credit shall
61 28 not be allowed unless the vehicle to which the credit applies
61 29 is registered within the time specified under subsection 1.
61 30 The credit shall be computed on the basis of the number of
61 31 unexpired months remaining in the registration year of the
61 32 former owner computed from the date the vehicle was
61 33 transferred, computed to the nearest whole dollar. The credit
61 34 may exceed the amount of the annual registration fee for the
61 35 transferred vehicle. When the amount of the credit is

62 1 computed to be an amount of less than ten dollars, the credit
62 2 shall be disallowed. The credit shall not be sold,
62 3 transferred, or assigned to any other person.

62 4 7. If a motor vehicle is leased and the lessee purchases
62 5 the vehicle upon termination of the lease, the lessor shall,
62 6 upon claim by the lessee with the lessor within thirty days of
62 7 the purchase, assign the annual registration fee credit and
62 8 registration plates for the leased motor vehicle to the
62 9 lessee. Credit shall be applied as provided in subsection 3.

62 10 Sec. 72. Section 321.46A, Code 2007, is amended to read as
62 11 follows:

62 12 321.46A CHANGE FROM PROPORTIONAL REGISTRATION == CREDIT.

62 13 An owner changing a vehicle's registration from
62 14 proportional registration under chapter 326 to registration
62 15 under this chapter shall be entitled to a credit on the
62 16 vehicle's annual registration fees under this chapter. The
62 17 credit shall be allowed when the owner surrenders to the
62 18 county treasurer proof of proportional registration provided

62 19 by the department. The amount of the credit shall be
62 20 calculated based on the unexpired complete calendar months
62 21 remaining in the registration year from the date the
62 22 application is filed with the county treasurer.

62 23 Sec. 73. Section 321.52, subsections 1 and 3, Code
62 24 Supplement 2007, are amended to read as follows:

62 25 1. When a vehicle is sold outside the state for purposes
62 26 other than for junk, the owner, dealer or otherwise, shall
62 27 detach the registration plates and registration card and shall
62 28 indicate on the registration card the name and address of the
62 29 foreign purchaser or transferee over the person's signature.
62 30 Unless the registration plates are legally attached to another
62 31 vehicle, the owner shall surrender the registration plates and
62 32 registration card to the county treasurer, who shall cancel
62 33 the records, destroy the registration plates, and forward the
62 34 registration card to the department. The department shall
62 35 make a notation on the records of the out-of-state sale and,
63 1 after a reasonable period, may destroy the files for that
63 2 particular vehicle. The department is not authorized to make
63 3 a refund of annual registration fees on a vehicle sold out of
63 4 state unless it receives the registration card completed as
63 5 provided in this section.

63 6 3. When a vehicle for which a certificate of title is
63 7 issued is junked or dismantled by the owner, the owner shall
63 8 detach the registration plates and surrender the plates to the
63 9 county treasurer, unless the plates are properly assigned to
63 10 another vehicle. The owner shall also surrender the
63 11 certificate of title to the county treasurer. Upon
63 12 surrendering the certificate of title and application for
63 13 junking certificate, the county treasurer shall issue to the
63 14 person, without fee, a junking certificate, which shall
63 15 authorize the holder to possess, transport or transfer
63 16 ownership of the junked vehicle by endorsement of the junking
63 17 certificate. The county treasurer shall hold the surrendered
63 18 certificate of title, registration receipt, application for
63 19 junking certificate, and, if applicable, the registration
63 20 plates for a period of fourteen days following the issuance of
63 21 a junking certificate under this subsection. Within the
63 22 fourteen-day period the person who was issued the junking
63 23 certificate and to whom the vehicle was titled or assigned may
63 24 surrender to the county treasurer the junking certificate, and
63 25 upon the person's payment of appropriate fees and taxes and
63 26 payment of any credit for annual registration fees received by
63 27 the person for the vehicle under section 321.46, subsection 3,
63 28 the county treasurer shall issue to the person a certificate
63 29 of title for the vehicle. After the expiration of the
63 30 fourteen-day period, a county treasurer shall not issue a
63 31 certificate of title for a junked vehicle for which a junking
63 32 certificate is issued. The county treasurer shall cancel the
63 33 record of the vehicle and forward the certificate of title to
63 34 the department.

63 35 However, upon application the department upon a showing of
64 1 good cause may issue a certificate of title after the
64 2 fourteen-day period for a junked vehicle for which a junking
64 3 certificate has been issued. For purposes of this subsection,
64 4 "good cause" means that the junking certificate was obtained
64 5 by mistake or inadvertence. If a person's application to the
64 6 department is denied, the person may make application for a
64 7 certificate of title under the bonding procedure as provided
64 8 in section 321.24, if the vehicle qualifies as an antique
64 9 vehicle under section 321.115, subsection 1, or the person may
64 10 seek judicial review as provided under sections 17A.19 and
64 11 17A.20.

64 12 Sec. 74. Section 321.70, Code 2007, is amended to read as
64 13 follows:

64 14 321.70 DEALER VEHICLES.

64 15 A dealer registered under this chapter shall not be
64 16 required to register any vehicle owned by the dealer which is
64 17 being held for sale or trade, provided the annual registration
64 18 fee was not delinquent at the time the vehicle was acquired by
64 19 the dealer. When a dealer ceases to hold any vehicle for sale
64 20 or trade or the vehicle otherwise becomes subject to
64 21 registration under this chapter the annual registration fee
64 22 and delinquent annual registration fee, if any, shall be due
64 23 for the registration year.

64 24 Sec. 75. Section 321.101, subsection 1, paragraph d, Code
64 25 Supplement 2007, is amended to read as follows:

64 26 d. When the department determines that the required annual
64 27 registration fee has not been paid and the fee is not paid
64 28 upon reasonable notice and demand.

64 29 Sec. 76. Section 321.101A, Code 2007, is amended to read

64 30 as follows:

64 31 321.101A REVOCATION OF REGISTRATION BY COUNTY TREASURER.

64 32 The county treasurer may revoke the registration and
64 33 registration plates of a vehicle if the annual registration
64 34 ~~fees are fee or the fee for new registration is~~ paid by check,
64 35 electronic payment, or credit card and the check, electronic
65 1 payment, or credit card is not honored by the payer's
65 2 financial institution or credit card company, upon reasonable
65 3 notice and demand. The owner of the vehicle or person in
65 4 possession of the registration and registration plates for the
65 5 vehicle shall immediately return the revoked registration and
65 6 registration plates to the appropriate county treasurer's
65 7 office.

65 8 Sec. 77. Section 321.105, Code 2007, is amended to read as
65 9 follows:

65 10 321.105 ANNUAL REGISTRATION FEE REQUIRED.

65 11 1. An annual registration fee shall be paid for each
65 12 vehicle operated upon the public highways of this state unless
65 13 the vehicle is specifically exempted under this chapter. If a
65 14 vehicle, which has been registered for the current
65 15 registration year, is transferred during the registration
65 16 year, the transferee shall reregister the vehicle as provided
65 17 in section 321.46.

65 18 2. The annual registration fee shall be paid to the county
65 19 treasurer at the same time the application is made for the
65 20 registration or reregistration of the motor vehicle or
65 21 trailer. An owner may, when applying for registration or
65 22 reregistration of a motor vehicle or trailer, request that the
65 23 plates be mailed to the owner's post-office address. The
65 24 owner's request shall be accompanied by a mailing fee as
65 25 determined annually by the director in consultation with the
65 26 Iowa county treasurers association.

65 27 3. Upon application by a financial institution, as defined
65 28 in section 422.61, and approval of the application by the
65 29 county treasurer, the county treasurer in any county may
65 30 authorize the financial institution to receive applications
65 31 for renewal of vehicle registrations and payment of the annual
65 32 registration fees. The annual registration fees shall be
65 33 delivered to the county treasurer at the time the county
65 34 treasurer has processed the vehicle registration application.
65 35 ~~Registration~~ Annual registration fees received with vehicle
66 1 registration applications shall be designated as public funds
66 2 only upon receipt of such funds by the county treasurer from
66 3 the financial institution.

66 4 4. In addition to the payment of an annual registration
66 5 fee for each trailer and semitrailer to be issued an annual
66 6 registration plate, an additional registration fee may be paid
66 7 for a period of two or four subsequent registration years.

66 8 5. Seriously disabled veterans who have been provided with
66 9 an automobile or other vehicle by the United States government
66 10 under the provisions of sections 1901 to 1903, Title 38 of the
66 11 United States Code, 38 U.S.C. } 1901 et seq. (1970), shall be
66 12 exempt from payment of any automobile registration fee
66 13 provided in this chapter, and shall be provided, without fee,
66 14 with a registration plate. The disabled veteran, to be able
66 15 to claim the above benefit, must be a resident of the state of
66 16 Iowa. The disabled veteran may obtain a special or
66 17 personalized plate under section 321.34 by paying the
66 18 difference between the fee for a regular registration plate
66 19 and the fee for the special or personalized registration
66 20 plate.

66 21 Sec. 78. Section 321.106, subsections 1, 2, and 4, Code
66 22 2007, are amended to read as follows:

66 23 1. When a vehicle is registered under chapter 326 or a
66 24 motor truck, truck tractor, or road tractor is registered for
66 25 a combined gross weight exceeding five tons and there is no
66 26 delinquency and the registration is made in February or
66 27 succeeding months through November, the annual registration
66 28 fee shall be prorated for the remaining unexpired months of
66 29 the registration year. A fee shall not be required for the
66 30 month of December for a vehicle registered on a calendar year
66 31 basis on which there is no delinquency. However, except for a
66 32 vehicle registered under chapter 326, when such a vehicle is
66 33 registered in November, the vehicle may be registered for the
66 34 remaining unexpired months of the registration year or for the
66 35 remaining unexpired months of the registration year and for
67 1 the next registration year, upon payment of the applicable
67 2 registration fees.

67 3 2. When a vehicle is registered on a birth month basis and
67 4 there is no delinquency and the registration is made in the
67 5 month after the beginning of the registration year or

67 6 succeeding months, the annual registration fee shall be
67 7 prorated for the remaining unexpired months of the
67 8 registration year. A fee shall not be required for the month
67 9 of the owner's birthday for a vehicle on which there is no
67 10 delinquency. However, when a vehicle registered on a birth
67 11 month basis is registered during the eleventh month of the
67 12 registration year, the vehicle may be registered for the
67 13 remaining unexpired months of the registration year or for the
67 14 remaining unexpired months of the registration year and for
67 15 the next registration year, upon payment of the applicable
67 16 registration fees.

67 17 4. A reduction in the annual registration fee shall not be
67 18 allowed by the department until the applicant files
67 19 satisfactory evidence to prove that there is no delinquency in
67 20 registration.

67 21 Sec. 79. Section 321.109, subsection 3, Code 2007, is
67 22 amended to read as follows:

67 23 3. The owner of an unregistered motor vehicle or motor
67 24 vehicle for which the registration is delinquent may make
67 25 application to the county treasurer of the county of residence
67 26 or, if the unregistered or delinquent motor vehicle is
67 27 purchased by a nonresident of the state, to the county
67 28 treasurer in the county of purchase, for a temporary
67 29 thirty-day permit for a fee of twenty-five dollars. The
67 30 permit shall authorize the motor vehicle to be driven or towed
67 31 upon the highway, but shall not authorize a motor truck or
67 32 truck tractor to haul or tow a load. The permit fee shall not
67 33 be considered a registration fee or exempt the owner from
67 34 payment of all other fees, registration fees, and penalties
67 35 due. If the annual registration fee for the motor vehicle is
68 1 delinquent, the annual registration fee and penalty shall
68 2 continue to accrue until paid. The permit fee shall not be
68 3 prorated, refunded, or used as credit as provided under
68 4 section 321.46. The permit shall be displayed in the upper
68 5 left-hand corner of the rear window of all motor vehicles,
68 6 except motorcycles. Permits issued for a motorcycle shall be
68 7 attached to the rear of the motorcycle.

68 8 Sec. 80. Section 321.110, Code 2007, is amended to read as
68 9 follows:

68 10 321.110 REJECTING FRACTIONAL DOLLARS.

68 11 When the annual registration fee, computed according to
68 12 section 321.109, subsection 1, totals a fraction over a
68 13 certain number of dollars the fee shall be arrived at by
68 14 computing to the nearest even dollar.

68 15 Sec. 81. Section 321.113, Code 2007, is amended to read as
68 16 follows:

68 17 321.113 AUTOMATIC REDUCTION.

68 18 1. The annual registration fee for a motor vehicle shall
68 19 not be automatically reduced under this section unless the
68 20 ~~registration~~ fee is based on the value and weight of the motor
68 21 vehicle as provided in section 321.109, subsection 1.

68 22 2. If a motor vehicle is more than five model years old,
68 23 the part of the annual registration fee that is based on the
68 24 value of the vehicle shall be seventy-five percent of the rate
68 25 as fixed when the motor vehicle was new.

68 26 3. If a motor vehicle is more than six model years old,
68 27 the part of the annual registration fee that is based on the
68 28 value of the vehicle shall be fifty percent of the rate as
68 29 fixed when the motor vehicle was new.

68 30 4. If a 1994 model year or newer motor vehicle is nine
68 31 model years old or older the annual registration fee is
68 32 thirty-five dollars. For purposes of determining the portion
68 33 of the annual registration fee under this subsection that is
68 34 based upon the value of the motor vehicle, sixty percent of
68 35 the annual registration fee is attributable to the value of
69 1 the vehicle.

69 2 5. a. If a 1993 model year or older motor vehicle has
69 3 been titled in the same person's name since the vehicle was
69 4 new or the title to the vehicle was transferred prior to
69 5 January 1, 2002, the part of the annual registration fee that
69 6 is based on the value of the vehicle shall be ten percent of
69 7 the rate as fixed when the motor vehicle was new.

69 8 b. If the title of a 1993 model year or older motor
69 9 vehicle is transferred to a new owner or if such a motor
69 10 vehicle is brought into the state on or after January 1, 2002,
69 11 the annual registration fee shall not be based on the weight
69 12 and list price of the motor vehicle, but shall be as follows:

69 13 (1) For a motor vehicle that is model year
69 14 1969 or older:..... \$ 16.00
69 15 (2) For a motor vehicle that is model year
69 16 1970 through 1989:..... \$ 23.00

69 17 (3) For a motor vehicle that is model year
69 18 1990 through 1993:..... \$ 27.00

69 19 For purposes of determining the portion of the annual
69 20 registration fee under this paragraph "b" that is based upon
69 21 the value of the motor vehicle, sixty percent of the annual
69 22 registration fee is attributable to the value of the vehicle.

69 23 Sec. 82. Section 321.117, Code 2007, is amended to read as
69 24 follows:

69 25 321.117 MOTORCYCLE, AMBULANCE, AND HEARSE FEES.

69 26 For all motorcycles the annual registration fee shall be
69 27 twenty dollars. For all motorized bicycles the annual
69 28 registration fee shall be seven dollars. When the motorcycle
69 29 is more than five model years old, the annual registration fee
69 30 shall be ten dollars. The annual registration fee for
69 31 ambulances and hearses shall be fifty dollars. Passenger car
69 32 plates shall be issued for ambulances and hearses.

69 33 Sec. 83. Section 321.119, Code 2007, is amended to read as
69 34 follows:

69 35 321.119 CHURCH BUSES.

70 1 For motor vehicles designed to carry nine passengers or
70 2 more which are owned and used exclusively by a church or
70 3 religious organization to transport passengers to and from
70 4 activities of or sponsored by the church or religious
70 5 organization and not operated for rent or hire for purposes
70 6 unrelated to the activities of the church or religious
70 7 organization, the annual registration fee shall be twenty-five
70 8 dollars.

70 9 Sec. 84. Section 321.121, Code 2007, is amended to read as
70 10 follows:

70 11 321.121 SPECIAL TRUCKS FOR FARM USE.

70 12 1. The annual registration fee for a special truck shall
70 13 be eighty dollars for a gross weight of six tons, one hundred
70 14 dollars for a gross weight of seven tons, one hundred twenty
70 15 dollars for a gross weight of eight tons, and in addition,
70 16 fifteen dollars for each ton over eight tons and not exceeding
70 17 eighteen tons. The annual registration fee for a special
70 18 truck with a gross weight registration exceeding eighteen tons
70 19 but not exceeding nineteen tons shall be three hundred
70 20 twenty-five dollars and for a gross weight registration
70 21 exceeding nineteen tons but not exceeding twenty tons the
70 22 annual registration fee shall be three hundred seventy-five
70 23 dollars. The additional annual registration fee for a special
70 24 truck for a gross weight registration in excess of twenty tons
70 25 is twenty-five dollars for each ton over twenty tons and not
70 26 exceeding thirty-two tons.

70 27 2. A person convicted of or found by audit to be using a
70 28 motor vehicle registered as a special truck for any purpose
70 29 other than permitted by section 321.1, subsection 76, shall,
70 30 in addition to any other penalty imposed by law, be required
70 31 to pay regular annual motor vehicle registration fees upon for
70 32 such motor vehicle.

70 33 Sec. 85. Section 321.123, unnumbered paragraph 1, Code
70 34 2007, is amended to read as follows:

70 35 All trailers except farm trailers, mobile homes, and
71 1 manufactured homes, unless otherwise provided in this section,
71 2 are subject to ~~a~~ an annual registration fee of ten dollars.
71 3 Trailers for which the empty weight is two thousand pounds or
71 4 less are exempt from the certificate of title and lien
71 5 provisions of this chapter. Fees collected under this section
71 6 shall not be reduced or prorated under chapter 326.

71 7 Sec. 86. Section 321.123, subsection 1, unnumbered
71 8 paragraph 1, Code 2007, is amended to read as follows:

71 9 Travel trailers and fifth-wheel travel trailers, except
71 10 those in manufacturer's or dealer's stock, shall be subject to
71 11 an annual registration fee of twenty cents per square foot of
71 12 floor space computed on the exterior overall measurements, but
71 13 excluding three feet occupied by any trailer hitch as provided
71 14 by and certified to by the owner, to the nearest whole dollar.
71 15 When a travel trailer or fifth-wheel travel trailer is
71 16 registered in Iowa for the first time or when title is
71 17 transferred, the annual registration fee shall be prorated on
71 18 a monthly basis. The annual registration fee shall be reduced
71 19 to seventy-five percent of the full fee after the vehicle is
71 20 more than six model years old.

71 21 Sec. 87. Section 321.125, Code 2007, is amended to read as
71 22 follows:

71 23 321.125 EFFECT OF EXEMPTION.

71 24 The exemption of a motor vehicle from ~~a~~ an annual
71 25 registration fee or a fee for new registration shall not
71 26 exempt the operator of such vehicle from the performance of
71 27 any other duty imposed on the operator by this chapter.

71 28 Sec. 88. Section 321.126, Code 2007, is amended to read as
71 29 follows:

71 30 321.126 REFUNDS OF ANNUAL REGISTRATION FEES.

71 31 Refunds of unexpired annual vehicle registration fees shall
71 32 be allowed in accordance with this section, except that no
71 33 refund shall be allowed and paid if the unused portion of the
71 34 fee is less than ten dollars. Subsections 1 and 2 do not
71 35 apply to vehicles registered by the county treasurer. The

72 1 refunds shall be made as follows:

72 2 1. If the vehicle is destroyed by fire or accident, or
72 3 junked and its identity as a vehicle entirely eliminated, the
72 4 owner in whose name the vehicle was registered at the time of
72 5 destruction or dismantling shall return the plates to the
72 6 department and within thirty days thereafter make a statement
72 7 of such destruction or dismantling and make claim for refund.
72 8 With reference to the destruction or dismantling of a vehicle,
72 9 no refund shall be allowed unless a junking certificate has
72 10 been issued, as provided in section 321.52.

72 11 2. If the vehicle is stolen, the owner shall give notice
72 12 of the theft to the department within five days. If the
72 13 vehicle is not recovered by the owner thirty days prior to the
72 14 end of the current registration year, the owner shall make a
72 15 statement of the theft and make claim for refund.

72 16 3. If the vehicle is placed in storage by the owner upon
72 17 the owner's entry into the military service of the United
72 18 States, the owner shall return the plates to the county
72 19 treasurer or the department and make a statement regarding the
72 20 storage and military service and make claim for refund.
72 21 Whenever the owner of a vehicle so placed in storage desires
72 22 to again register the vehicle, the county treasurer or
72 23 department shall compute and collect the fees for registration
72 24 for the registration year commencing in the month the vehicle
72 25 is removed from storage.

72 26 4. If the vehicle is registered by the county treasurer
72 27 during the current registration year and the owner or lessee
72 28 registers the vehicle for proportional registration under
72 29 chapter 326, the owner of the registered vehicle shall
72 30 surrender the registration plates to the county treasurer and
72 31 may file a claim for refund. In lieu of a refund, a credit
72 32 for the annual registration fees paid to the county treasurer
72 33 may be applied by the department to the owner or lessee's
72 34 proportional registration fees upon the surrender of the
72 35 county plates and registration.

73 1 5. A refund for trailers and semitrailers issued a
73 2 multiyear registration plate shall be paid by the department
73 3 upon application.

73 4 6. If a vehicle is sold or junked, the owner in whose name
73 5 the vehicle was registered may make claim to the county
73 6 treasurer or department for a refund of the sold or junked
73 7 vehicle's annual registration fee. Also if the owner of a
73 8 vehicle receives a vehicle registration fee credit under
73 9 section 321.46, subsection 3, and the credit allowed exceeds
73 10 the amount of the annual registration fee for the vehicle
73 11 acquired, the owner may claim a refund for the balance of the
73 12 credit. The refund is subject to the following limitations:

73 13 a. If a vehicle registration fee credit has not been
73 14 received by the owner of the vehicle under section 321.46,
73 15 subsection 3, the refund shall be computed on the basis of the
73 16 number of unexpired months remaining in the registration year
73 17 at the time the vehicle was sold or junked. The refund shall
73 18 be rounded to the nearest whole dollar. Section 321.127,
73 19 subsection 1, does not apply.

73 20 b. The refund shall only be allowed if the owner makes
73 21 claim for the refund within six months after the date of the
73 22 vehicle's sale, trade, or junking.

73 23 c. This subsection does not apply to vehicles registered
73 24 under chapter 326.

73 25 7. If the vehicle was leased and an affidavit was filed by
73 26 the lessor or the lessee as provided in section 321.46, the
73 27 lessor or the lessee, as applicable, may make a claim for a
73 28 refund with the county treasurer of the county where the
73 29 vehicle was registered within six months of the vehicle's
73 30 surrender to the lessor. The refund shall be paid to either
73 31 the lessor or the lessee, as specified on the application for
73 32 title and registration pursuant to section 321.20.

73 33 8. If the owner of the vehicle moves out of state, the
73 34 owner may make a claim for a refund by returning the Iowa
73 35 registration plates, along with evidence of the vehicle's
74 1 registration in another jurisdiction, to the county treasurer
74 2 of the county in which the vehicle was registered within six
74 3 months of the out-of-state registration. For purposes of

74 4 section 321.127, the unexpired months remaining in the
74 5 registration year shall be calculated on the basis of the
74 6 effective date of the out-of-state registration. However, for
74 7 the purpose of timely issuance of the refund, the claim for a
74 8 refund under this subsection is considered to be filed on the
74 9 date the registration documents are received by the county
74 10 treasurer.

74 11 9. Notwithstanding any provision of this section to the
74 12 contrary, there shall be no refund of proportional
74 13 registration fees unless the state which issued the base plate
74 14 for the vehicle allows such refund. If an owner subject to
74 15 proportional registration leases the vehicle for which the
74 16 refund is sought, the claim shall be filed in the names of
74 17 both the lessee and the lessor and the refund payment made
74 18 payable to both the lessor and the lessee. The term "owner"
74 19 for purposes of this section shall include a person in whom is
74 20 vested right of possession or control of a vehicle which is
74 21 subject to a lease, contract, or other legal arrangement
74 22 vesting right of possession or control in addition to the term
74 23 as defined in section 321.1, subsection 49.

74 24 Sec. 89. Section 321.127, subsection 1, Code 2007, is
74 25 amended to read as follows:

74 26 1. The refund of the annual registration fee for vehicles
74 27 shall be computed on the basis of the number of unexpired
74 28 months remaining in the registration year from date of filing
74 29 of the claim for refund with the county treasurer, computed to
74 30 the nearest dollar.

74 31 Sec. 90. Section 321.132, Code 2007, is amended to read as
74 32 follows:

74 33 321.132 WHEN LIEN ATTACHES.

74 34 The lien of the original annual registration fee attaches,
74 35 at the time the fee is first payable, as provided by law, and
75 1 the lien of all renewals of registration attach on the first
75 2 day of each succeeding registration year.

75 3 Sec. 91. Section 321.134, Code Supplement 2007, is amended
75 4 to read as follows:

75 5 321.134 MONTHLY PENALTY.

75 6 1. On the first day of the second month following the
75 7 beginning of each registration year a penalty of five percent
75 8 of the annual registration fee shall be added to the annual
75 9 registration fees not paid by that date and an additional
75 10 penalty of five percent shall be added the first day of each
75 11 succeeding month, until the fee is paid. A penalty shall not
75 12 be less than five dollars. If the owner of a vehicle
75 13 surrenders the registration plates for a vehicle prior to the
75 14 plates becoming delinquent, to the county treasurer of the
75 15 county where the vehicle is registered, or to the department
75 16 if the vehicle is registered under chapter 326, the owner may
75 17 register the vehicle any time thereafter upon payment of the
75 18 annual registration fee for the registration year without
75 19 penalty. The penalty on vehicles registered under chapter 326
75 20 shall accrue February 1 of each year. To avoid a penalty or
75 21 an additional penalty in the case of a delinquent
75 22 registration, if the last calendar day of a month falls on
75 23 Saturday, Sunday, or a holiday, the payment deadline is
75 24 extended to include the first business day of the following
75 25 month. For payments made through a county treasurer's
75 26 authorized website only, if the last day of the month falls on
75 27 a Saturday, Sunday, or a holiday, the electronic payment must
75 28 be initiated by midnight on the first business day of the next
75 29 month. All other electronic payments must be initiated by
75 30 midnight on the last day of the month preceding the delinquent
75 31 date.

75 32 2. The annual registration fee for trucks, truck tractors,
75 33 and road tractors, as provided in sections 321.121 and
75 34 321.122, may be payable in two equal semiannual installments
75 35 if the annual registration fee exceeds the annual registration
76 1 fee for a vehicle with a gross weight exceeding five tons.
76 2 The penalties provided in subsection 1 shall be computed on
76 3 the amount of the first installment only and on the first day
76 4 of the seventh month of the registration period the same rate
76 5 of penalty shall apply to the second installment, until the
76 6 fee is paid. Semiannual installments do not apply to
76 7 commercial vehicles, as defined under section 326.2, subject
76 8 to proportional registration, with a base state other than the
76 9 state of Iowa, as defined in section 326.2, subsection 1. The
76 10 penalty on vehicles registered under chapter 326 accrues
76 11 August 1 of each year except as provided in section 326.6.
76 12 The department shall not allow the annual registration fee for
76 13 a commercial vehicle registered under chapter 326 to be paid
76 14 in two equal semiannual installments for five years after the

76 15 registrant has paid the annual registration fee late for two
76 16 consecutive years.

76 17 3. If a penalty applies to ~~a~~ an annual vehicle
76 18 registration fee provided for in sections 321.121 and 321.122,
76 19 the same penalty shall be assessed on the fees collected to
76 20 increase the registered gross weight of the vehicle, if the
76 21 increased gross weight is requested within forty-five days
76 22 from the date the delinquent vehicle is registered for the
76 23 current registration period.

76 24 4. Notwithstanding subsections 1 through 3, if a vehicle
76 25 registration is delinquent for twenty-four months or more, a
76 26 flat penalty and fee shall be assessed for the delinquent
76 27 period in addition to the current annual registration fee.
76 28 The flat penalty and fee shall be one hundred fifty percent of
76 29 the current annual registration fee.

76 30 5. The department shall waive the penalties imposed by
76 31 this section for an owner who is in the military service of
76 32 the United States and who has been relocated as a result of
76 33 being placed on active duty on or after September 11, 2001.
76 34 The department shall adopt rules to implement this subsection,
76 35 including, if necessary, procedures for refunding penalties
77 1 collected prior to March 29, 2004.

77 2 Sec. 92. Section 321.135, Code 2007, is amended to read as
77 3 follows:

77 4 321.135 WHEN FEES DELINQUENT.

77 5 Except as otherwise provided, ~~delinquencies begin annual~~
77 6 registration fees become delinquent and penalties accrue the
77 7 first of the month following the purchase of a new vehicle,
77 8 and thirty days following the date a vehicle is brought into
77 9 the state.

77 10 Sec. 93. Section 321.151, Code 2007, is amended to read as
77 11 follows:

77 12 321.151 DUTY AND LIABILITY OF TREASURER.

77 13 The county treasurer shall collect the registration fee,
77 14 the fee for new registration, and penalties on each vehicle
77 15 registered by the county treasurer and shall be responsible on
77 16 the county treasurer's bond for such amount. The county
77 17 treasurer shall remit such amount to the treasurer of state as
77 18 provided in this chapter. Fees collected pursuant to
77 19 participation in county issuance of driver's licenses under
77 20 chapter 321M shall be governed by the provisions of that
77 21 chapter.

77 22 Sec. 94. Section 321.152, subsection 1, Code 2007, is
77 23 amended to read as follows:

77 24 1. Four percent of the total collection, excluding the
77 25 amount of any fee for new registration, for each annual or
77 26 semiannual vehicle registration and each duplicate
77 27 registration card or plate issued.

77 28 Sec. 95. Section 321.152, Code 2007, is amended by adding
77 29 the following new subsection:

77 30 NEW SUBSECTION. 5. One dollar from each fee for new
77 31 registration collected pursuant to section 321.105A.

77 32 Sec. 96. Section 321.159, Code 2007, is amended to read as
77 33 follows:

77 34 321.159 EXCEPTIONAL CASES == ANNUAL REGISTRATION FEE.

77 35 The department shall have the power to fix the annual
78 1 registration fee on all makes and models of motor vehicles
78 2 which are not now being furnished or upon which the statement
78 3 from the factory cannot be obtained.

78 4 For a current year model of a motor vehicle for which the
78 5 manufacturer or importer of the motor vehicle has not provided
78 6 the weight and list price, the department shall set the annual
78 7 registration fee at ten dollars greater than the annual
78 8 registration fee for the previous year model. Once the
78 9 manufacturer or importer provides the required information,
78 10 the information shall be used to set the annual registration
78 11 fee or the registration renewal fee for the succeeding
78 12 registration or registration renewal time for the motor
78 13 vehicle.

78 14 Sec. 97. Section 321.170, Code 2007, is amended to read as
78 15 follows:

78 16 321.170 PLATES FOR EXEMPT VEHICLES.

78 17 The department shall furnish, on application, free of
78 18 charge, distinguishing plates for motor vehicles exempted from
78 19 ~~a~~ annual registration fee fees and shall keep a separate
78 20 record thereof.

78 21 Sec. 98. Section 322G.4, subsection 2, unnumbered
78 22 paragraph 2, Code 2007, is amended to read as follows:

78 23 Refunds shall be made to the consumer and lienholder of
78 24 record, if any, as their interests appear. If applicable,
78 25 refunds shall be made to the lessor and lessee as follows:

78 26 the lessee shall receive the lessee's cost less a reasonable
78 27 offset for use, and the lessor shall receive the lease price
78 28 less the aggregate deposit and rental payments previously paid
78 29 to the lessor for the leased vehicle. If it is determined
78 30 that the lessee is entitled to a refund pursuant to this
78 31 chapter, the consumer's lease agreement with the lessor is
78 32 terminated upon payment of the refund and no penalty for early
78 33 termination shall be assessed. The department of revenue
78 34 shall refund to the manufacturer any use tax or fee for new
78 35 registration which the manufacturer refunded to the consumer,
79 1 lessee, or lessor under this section, if the manufacturer
79 2 provides to the department of revenue a written request for a
79 3 refund and evidence that the use tax or fee for new
79 4 registration was paid when the vehicle was purchased and that
79 5 the manufacturer refunded the use tax or fee for new
79 6 registration to the consumer, lessee, or lessor.

79 7 Sec. 99. Section 322G.12, unnumbered paragraph 1, Code
79 8 2007, is amended to read as follows:

79 9 A manufacturer who accepts the return of a motor vehicle
79 10 pursuant to a settlement, determination, or decision under
79 11 this chapter shall notify the state department of
79 12 transportation, report the vehicle identification number of
79 13 that motor vehicle within ten days after the acceptance, and
79 14 obtain a new certificate of title for the vehicle in the
79 15 manufacturer's name pursuant to section 321.46. In obtaining
79 16 a new certificate of title, the manufacturer shall title the
79 17 vehicle in the county of the transferor's residence and shall
79 18 be exempt from the registration fee requirements of section
79 19 321.46. ~~For purposes of chapter 423, a manufacturer's~~
79 20 ~~acceptance of the return of a motor vehicle, as described in~~
79 21 ~~this section, shall not be considered "use", as defined in~~
79 22 ~~section 423.1 and the fee for new registration under section~~
79 23 ~~321.105A.~~ The new certificate of title, and all subsequent
79 24 registration receipts and certificates of title issued for the
79 25 motor vehicle, shall contain a designation indicating that the
79 26 motor vehicle was returned to the manufacturer pursuant to
79 27 this chapter or a similar law of another state. The state
79 28 department of transportation shall determine the manner in
79 29 which the designation is to be indicated on registration
79 30 receipts and certificates of title and may determine that a
79 31 "REBUILT" or "SALVAGE" designation supersedes the designation
79 32 required by this paragraph and include the "REBUILT" or
79 33 "SALVAGE" designation on the registration receipt and
79 34 certificate of title in lieu of the designation required by
79 35 this paragraph.

80 1 Sec. 100. Section 326.2, Code 2007, is amended by adding
80 2 the following new subsection:

80 3 NEW SUBSECTION. 11A. "Registration fee" means the annual
80 4 motor vehicle registration fee imposed pursuant to section
80 5 321.105, unless otherwise specified.

80 6 Sec. 101. Section 327I.26, Code 2007, is amended to read
80 7 as follows:

80 8 327I.26 APPROPRIATION TO AUTHORITY.

80 9 ~~Notwithstanding section 423.43, and prior to the~~
80 10 ~~application of section 423.43, subsection 1, paragraph "b",~~
80 11 ~~there~~ There shall be deposited into the general fund of the
80 12 state and is appropriated to the authority from ~~eighty percent~~
80 13 ~~of the revenues derived from the operation of section 423.26~~
80 14 moneys available under section 321.145, subsection 2, the
80 15 amounts certified by the authority under section 327I.25.
80 16 However, the total amount deposited into the general fund and
80 17 appropriated to the Iowa railway finance authority under this
80 18 section shall not exceed two million dollars annually. Moneys
80 19 appropriated to the Iowa railway finance authority under this
80 20 section are appropriated only for the payment of principal and
80 21 interest on obligations or the payment of leases guaranteed by
80 22 the authority as provided under section 327I.25.

80 23 Sec. 102. Section 331.557, subsection 3, Code 2007, is
80 24 amended to read as follows:

80 25 3. Collect the use tax on vehicles subject to ~~registration~~
80 26 only to a certificate of title and on manufactured housing as
80 27 provided in sections section 423.14, and section 423.26, and
80 28 ~~423.27, subsection 1.~~

80 29 Sec. 103. Section 423.5, subsection 3, Code 2007, is
80 30 amended to read as follows:

80 31 3. The use of leased vehicles, if the lease transaction
80 32 does not require titling or registration of the vehicle, on
80 33 the amount subject to tax as calculated pursuant to section
80 34 ~~423.27~~ 423.26, subsection 2.

80 35 Sec. 104. Section 423.36, subsection 8, paragraph b,
81 1 subparagraph (2), Code 2007, is amended to read as follows:

81 2 (2) Taxes imposed under ~~sections~~ section 423.26 ~~and 423.27~~
81 3 and chapter 423C.

81 4 Sec. 105. Section 423.57, Code Supplement 2007, is amended
81 5 to read as follows:

81 6 423.57 STATUTES APPLICABLE.

81 7 The director shall administer this subchapter as it relates
81 8 to the taxes imposed in this chapter in the same manner and
81 9 subject to all the provisions of, and all of the powers,
81 10 duties, authority, and restrictions contained in sections
81 11 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
81 12 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
81 13 423.32, 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,
81 14 423.40, 423.41, and 423.42, section 423.43, subsection ~~3~~ 1,
81 15 and sections 423.45, 423.46, and 423.47.

81 16 Sec. 106. Section 423B.4, unnumbered paragraphs 2 and 3,
81 17 Code 2007, are amended to read as follows:

81 18 Payment of a local vehicle tax shall be evidenced by a
81 19 notation on the state registration certificate. The director
81 20 of the department of transportation shall prescribe by rule
81 21 the type of notation. A local vehicle tax shall not be
81 22 refunded even when annual state registration fees are
81 23 refunded.

81 24 Penalties for late payment which are comparable to the
81 25 penalties for late payment of annual state registration fees
81 26 shall be imposed by the ordinance imposing a local vehicle
81 27 tax. Willful violation of a local vehicle tax ordinance is a
81 28 simple misdemeanor.

81 29 Sec. 107. Section 455D.11C, subsection 1, Code 2007, is
81 30 amended to read as follows:

81 31 1. A waste tire management fund is created within the
81 32 state treasury. ~~Moneys For the fiscal year beginning July 1,~~
81 33 ~~2002, through the fiscal year beginning July 1, 2006, moneys~~

81 34 received from each five dollar surcharge on the issuance of a
81 35 certificate of title shall be deposited as provided in section
82 1 321.52A, ~~subsection 2~~ Code 2007. Notwithstanding section
82 2 8.33, any unexpended balance in the fund at the end of each
82 3 fiscal year shall be retained in the fund. Notwithstanding
82 4 section 12C.7, any interest or earnings on investments from
82 5 moneys in the fund shall be credited to the fund. Moneys from
82 6 the fund that are expended by the department in closing or
82 7 bringing into compliance a waste tire collection site pursuant
82 8 to section 455D.11A and later recouped by the department shall
82 9 be credited to the fund.

82 10 Sec. 108. Section 455G.3, subsection 1, Code 2007, is
82 11 amended to read as follows:

82 12 1. The Iowa comprehensive petroleum underground storage
82 13 tank fund is created as a separate fund in the state treasury,
82 14 and any funds remaining in the fund at the end of each fiscal
82 15 year shall not revert to the general fund but shall remain in
82 16 the Iowa comprehensive petroleum underground storage tank
82 17 fund. Interest or other income earned by the fund shall be
82 18 deposited in the fund. The fund shall include moneys credited
82 19 to the fund under this section, section ~~423.43~~ 321.145,
82 20 subsection ~~2~~, paragraph "a", and sections 455G.8, 455G.9,
82 21 and 455G.11, Code 2003, and other funds which by law may be
82 22 credited to the fund. The moneys in the fund are appropriated
82 23 to and for the purposes of the board as provided in this
82 24 chapter. Amounts in the fund shall not be subject to
82 25 appropriation for any other purpose by the general assembly,
82 26 but shall be used only for the purposes set forth in this
82 27 chapter. The treasurer of state shall act as custodian of the
82 28 fund and disburse amounts contained in it as directed by the
82 29 board including automatic disbursements of funds as received
82 30 pursuant to the terms of bond indentures and documents and
82 31 security provisions to trustees and custodians. The treasurer
82 32 of state is authorized to invest the funds deposited in the
82 33 fund at the direction of the board and subject to any
82 34 limitations contained in any applicable bond proceedings. The
82 35 income from such investment shall be credited to and deposited

83 1 in the fund. The fund shall be administered by the board
83 2 which shall make expenditures from the fund consistent with
83 3 the purposes of the programs set out in this chapter without
83 4 further appropriation. The fund may be divided into different
83 5 accounts with different depositories as determined by the
83 6 board and to fulfill the purposes of this chapter.

83 7 Sec. 109. Section 455G.6, subsection 4, Code 2007, is
83 8 amended to read as follows:

83 9 4. Grant a mortgage, lien, pledge, assignment, or other
83 10 encumbrance on one or more improvements, revenues, asset of
83 11 right, accounts, or funds established or received in
83 12 connection with the fund, including revenues derived from the

83 13 ~~use tax moneys credited~~ under section ~~423.43~~ 321.145,
83 14 subsection ~~±~~ 2, paragraph "a", and deposited in the fund or an
83 15 account of the fund.
83 16 Sec. 110. Section 455G.8, subsection 2, Code 2007, is
83 17 amended to read as follows:
83 18 2. ~~USE TAX DRIVER'S LICENSE FEES, TITLE FEES, AND TRAILER~~
83 19 ~~REGISTRATION FEES.~~ The revenues derived from the ~~use tax fees~~
83 20 imposed under chapter ~~423, subchapter III~~ 321. The ~~proceeds~~
83 21 ~~of the use tax moneys credited~~ under section ~~423.43~~ 321.145,
83 22 subsection ~~±~~ 2, paragraph "a", shall be allocated, consistent
83 23 with this chapter, among the fund's accounts, for debt service
83 24 and other fund expenses, according to the fund budget,
83 25 resolution, trust agreement, or other instrument prepared or
83 26 entered into by the board or authority under direction of the
83 27 board.
83 28 Sec. 111. Section 321.115, subsection 1, as enacted by
83 29 2007 Iowa Acts, chapter 143, section 12, is amended to read as
83 30 follows:
83 31 1. A motor vehicle twenty=five years old or older may be
83 32 registered as an antique vehicle ~~upon payment of.~~ The annual
83 33 registration fee is the fee provided for in section 321.113,
83 34 321.122, or 321.124. The owner of a motor vehicle registered
83 35 under this subsection may display authentic Iowa registration
84 1 plates from the model year of the motor vehicle, furnished by
84 2 the person and approved by the department, in lieu of the
84 3 current and valid Iowa registration plates issued for the
84 4 vehicle, provided that the current and valid Iowa registration
84 5 plates and the registration card issued for the vehicle are
84 6 simultaneously carried within the vehicle and are available
84 7 for inspection to any peace officer upon the officer's
84 8 request.
84 9 Sec. 112. 2007 Iowa Acts, chapter 179, section 6, is
84 10 amended to read as follows:
84 11 SEC. 6. Section 423.57, Code 2007, as amended by this Act,
84 12 is amended to read as follows:
84 13 423.57 STATUTES APPLICABLE.
84 14 The director shall administer this subchapter as it relates
84 15 to the taxes imposed in this chapter in the same manner and
84 16 subject to all the provisions of, and all of the powers,
84 17 duties, authority, and restrictions contained in sections
84 18 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
84 19 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
84 20 423.32, 423.33, 423.34, 423.34A, 423.35, 423.37, 423.38,
84 21 423.39, 423.40, 423.41, and 423.42, section 423.43, subsection
84 22 ~~±~~ 1, and sections 423.45, 423.46, and 423.47.
84 23 Sec. 113. Section 423.44, Code 2007, is repealed.
84 24 Sec. 114. PRIOR USE TAX LIABILITY. The enactment of this
84 25 division of this Act does not affect a person's liability for
84 26 any use tax, penalty, or interest owed by the person prior to
84 27 the effective date of this division of this Act.
84 28 Sec. 115. EFFECTIVE DATE. The section of this division of
84 29 this Act amending 2007 Iowa Acts, chapter 179, takes effect
84 30 January 1, 2009.

EXPLANATION

84 32 This bill allocates moneys to the transportation moves the
84 33 economy in the twenty=first century (TIME=21) fund from new
84 34 revenues generated from increases in motor vehicle and trailer
84 35 registration fees, title fees, and driver's license fees. The
85 1 bill also replaces the use tax on motor vehicles with a
85 2 registration fee imposed at the time of application for
85 3 registration and certificate of title for a vehicle.
85 4 DIVISION I == MOTOR VEHICLE REGISTRATION FEES. The bill
85 5 requires the treasurer of state, prior to distributing moneys
85 6 under the road use tax fund formula, to credit to the TIME=21
85 7 fund the amount collected from annual motor vehicle
85 8 registration fees that is in excess of \$346 million annually.
85 9 The provision crediting revenues to the TIME=21 fund is
85 10 repealed, and new revenues will revert to the road use tax
85 11 fund, on June 30, 2028. Pursuant to current law, the TIME=21
85 12 fund is scheduled to be dissolved on that date.
85 13 Passenger vehicles are registered for a fee that is based
85 14 on the weight and value of the vehicle: 1 percent of the
85 15 vehicle's value plus 40 cents for each 100 pounds of weight of
85 16 the vehicle. Currently, the amount of the fee that is based
85 17 on value is reduced to 75 percent of the rate as fixed when
85 18 the vehicle was new if the vehicle is more than five model
85 19 years old and 50 percent if the vehicle is more than six model
85 20 years old. When the vehicle is nine model years old or older,
85 21 the registration fee drops to \$35. In addition, certain older
85 22 vehicles that fall under prior fee schedules pay more modest
85 23 fees of \$16, \$23, or \$27. The bill provides an expanded

85 24 schedule for fee reductions as follows: When the vehicle is
85 25 more than seven model years old, the amount of the fee based
85 26 on value is 75 percent of the rate as fixed when the vehicle
85 27 was new; when the vehicle is more than nine model years old,
85 28 that amount is 50 percent; when the vehicle is 12 model years
85 29 old or older, the fee drops to \$50. However, under the bill,
85 30 if the registration fee under the new rate schedule is higher
85 31 than the owner paid for the same vehicle in the previous
85 32 registration year, the fee will be the fee from the previous
85 33 year. The owner of a vehicle currently paying a fee of less
85 34 than \$50 will continue to pay that fee for as long as they own
85 35 the vehicle. The fee for a vehicle registered by the owner as
86 1 an antique vehicle prior to January 1, 2009, will be \$23 for
86 2 models 1970=1983 and \$16 for model years 1969 and older.

86 3 Fees for special trucks for farm use, which are registered
86 4 for a gross weight of six tons through 32 tons, are increased
86 5 under the bill. For a gross weight of six tons, the fee is
86 6 increased from \$80 to \$100; for a gross weight of seven tons,
86 7 from \$100 to \$125; and for a gross weight of eight tons, from
86 8 \$120 to \$155. Fees for special trucks with a gross weight of
86 9 nine through 18 tons are established as follows: nine tons,
86 10 \$170; 10 tons, \$190; 11 tons, \$205; 12 tons, \$225; 13 tons,
86 11 \$245; 14 tons, \$265; 15 tons, \$280; 16 tons, \$295; 17 tons,
86 12 \$305; and 18 tons, \$315. The fees are effective beginning
86 13 with the 2009 registration year.

86 14 The bill requires that 2010 and subsequent model year motor
86 15 trucks with an unladen weight of 10,000 pounds or less be
86 16 registered under the weight and value fee system that applies
86 17 to most passenger vehicles. The bill does not alter the
86 18 current flat fee schedule for three=ton, four=ton, and
86 19 five=ton trucks, which will continue to apply to 2009 and
86 20 previous model year trucks. Currently, such trucks are
86 21 registered based on combined gross weight. The current annual
86 22 fee for a three=ton truck is \$65. The fee is reduced to \$55
86 23 when the vehicle is more than 10 model years old, \$45 when the
86 24 vehicle is more than 13 model years old, and \$35 when the
86 25 vehicle is more than 15 model years old. The current annual
86 26 fee for a four=ton truck is \$80, and the fee for a five=five
86 27 truck is \$90.

86 28 The bill increases fees for motor trucks registered for a
86 29 combined gross weight of six, seven, or eight tons. For a
86 30 combined gross weight of more than five tons but not more than
86 31 six tons, the fee is increased from \$105 to \$170; for more
86 32 than six tons but not more than seven tons, from \$130 to \$180;
86 33 and for more than seven tons but not more than eight tons,
86 34 from \$165 to \$190. The fees are effective beginning with the
86 35 2009 registration year.

87 1 This division of the bill takes effect January 1, 2009, and
87 2 applies to vehicles registered for registration years
87 3 beginning in 2009 and subsequent years.

87 4 DIVISION II == DRIVER'S LICENSE FEES. The bill increases
87 5 the fee for a noncommercial driver's license from \$4 to \$7 per
87 6 year of license validity, for a chauffeur's license from \$8 to
87 7 \$13 per year of license validity, and for a commercial
87 8 driver's license from \$8 to \$13 per year of license validity.
87 9 The additional fee required for a license valid for the
87 10 operation of a motorcycle is increased from \$1 to \$2 per year
87 11 of license validity.

87 12 The bill requires the treasurer of state, prior to
87 13 distributing moneys under the road use tax fund formula, to
87 14 credit monthly to the TIME=21 fund an amount equal to the
87 15 revenues attributable to the increase in driver's license
87 16 fees. The provision crediting revenues to the TIME=21 fund is
87 17 repealed and new revenues will revert to the road use tax fund
87 18 on June 30, 2028. Pursuant to current law, the TIME=21 fund
87 19 is scheduled to be dissolved on that date.

87 20 DIVISION III == TITLE FEES. The bill increases the fee
87 21 charged for issuance of a certificate of title from \$10 to
87 22 \$20. The fees for a salvage certificate of title and for a
87 23 title for a motor vehicle returned to a manufacturer are
87 24 increased from \$2 to \$10.

87 25 The bill requires the treasurer of state, prior to
87 26 distributing moneys under the road use tax fund formula, to
87 27 credit monthly to the TIME=21 fund an amount equal to the
87 28 revenues attributable to the increase in title fees. The
87 29 provision crediting revenues to the TIME=21 fund is repealed
87 30 and new revenues will revert to the road use tax fund on June
87 31 30, 2028. Pursuant to current law, the TIME=21 fund is
87 32 scheduled to be dissolved on that date.

87 33 DIVISION IV == TRAILER REGISTRATION FEES. The bill
87 34 increases the fee charged for registration of trailers.

87 35 Currently, most trailers other than farm trailers and trailers
88 1 registered for the combined gross weight of the vehicle are
88 2 subject to a \$10 registration fee. The bill increases the fee
88 3 to \$20 for such trailers with an empty weight of 2,000 pounds
88 4 or less, and \$30 for such trailers with an empty weight in
88 5 excess of 2,000 pounds.

88 6 The bill requires the treasurer of state, prior to
88 7 distributing moneys under the road use tax fund formula, to
88 8 credit monthly to the TIME=21 fund an amount equal to the
88 9 revenues attributable to the increase in trailer registration
88 10 fees. The provision crediting revenues to the TIME=21 fund is
88 11 repealed and new revenues will revert to the road use tax fund
88 12 on June 30, 2028. Pursuant to current law, the TIME=21 fund
88 13 is scheduled to be dissolved on that date.

88 14 This division of the bill takes effect January 1, 2009, and
88 15 applies to trailers registered for registration years
88 16 beginning in 2009 and subsequent years.

88 17 DIVISION V == TIME=21 FUNDING ANALYSIS. The bill requires
88 18 the department of transportation to analyze additional
88 19 revenues necessary to provide at least \$200 million annually
88 20 to the TIME=21 fund by FY 2011=2012, including an analysis of
88 21 sources of revenue to create a balance of taxes and fees paid
88 22 by Iowa drivers and out-of-state drivers. A report of the
88 23 analysis is required to be submitted to the governor and the
88 24 general assembly on or before December 31, 2008.

88 25 DIVISION VI == USE TAX ON MOTOR VEHICLES REPEALED == FEE
88 26 FOR NEW REGISTRATION IMPOSED. This division of the bill
88 27 eliminates the imposition of the use tax on motor vehicles
88 28 subject to registration and the use tax on leased motor
88 29 vehicles, provides alternate sources of revenue for purposes
88 30 currently funded from revenues derived from the motor vehicle
88 31 use tax, and establishes a one-time motor vehicle registration
88 32 fee called the "fee for new registration".

88 33 PART 1 == ROAD USE TAX FUND. Currently, there are several
88 34 purposes for which motor vehicle use taxes are allocated which
88 35 are not eligible under Iowa's constitution for funding from
89 1 motor vehicle registration fees. The bill directs that, prior
89 2 to allocation from the road use tax fund, an amount equal to
89 3 10 percent of the revenue collected from the fee for new
89 4 registration on vehicles other than leased motor vehicles is
89 5 to be credited monthly to the primary road fund to be used for
89 6 the commercial and industrial highway network. This continues
89 7 current funding levels for that purpose.

89 8 The remaining purposes currently funded from vehicle use
89 9 taxes will continue to be funded under the bill from revenue
89 10 sources that accrue to the road use tax fund but are not
89 11 constitutionally protected. Those sources include trailer
89 12 registration fees, fees from driver's licenses and
89 13 nonoperator's identification cards, title fees and the
89 14 certificate of title surcharge, revenues from the automobile
89 15 rental excise tax, and revenues from the use tax on mobile
89 16 homes and manufactured homes and on leased vehicles not
89 17 subject to registration and title. Pursuant to current law,
89 18 revenues from the environmental protection charge on petroleum
89 19 diminution are deposited into the road use tax fund, and \$4.25
89 20 million is credited quarterly from vehicle use tax moneys to
89 21 the Iowa comprehensive petroleum underground storage tank
89 22 fund. The bill directs the treasurer of state to credit that
89 23 same amount to the fund from the unprotected revenue sources
89 24 identified in the bill. After the obligation to the Iowa
89 25 petroleum underground storage tank fund is met, moneys shall
89 26 be credited in order of priority as follows:

89 27 1. An amount equal to 4 percent of the revenue collected
89 28 from the fee for new registration on vehicles other than
89 29 leased vehicles is to be credited for purposes of public
89 30 transit assistance.

89 31 2. An amount equal to \$1 per year of license validity for
89 32 each issued or renewed driver's license valid for the
89 33 operation of a motorcycle shall be credited to the motorcycle
89 34 rider education fund.

89 35 3. Amounts required to be transferred from the sale of
90 1 special motor vehicle registration plates are to be credited
90 2 for the various purposes associated with those plates.

90 3 4. Amounts of up to \$2 million per year may be credited to
90 4 the railway finance authority for payments on obligations
90 5 certified by the authority and lease payments guaranteed by
90 6 the authority.

90 7 5. Amounts required for certain projects on bridges over
90 8 rivers bordering the state, which are not eligible for funding
90 9 from the road use tax fund, may be credited to the primary
90 10 road fund at the direction of the department of

90 11 transportation.

90 12 PART 2 == FEE FOR NEW VEHICLE REGISTRATION. The bill
90 13 establishes a new vehicle registration fee, referred to as the
90 14 "fee for new registration", which amounts to 5 percent of the
90 15 purchase price of a vehicle subject to registration, or 5
90 16 percent of the leased price for each vehicle subject to
90 17 registration with a gross vehicle weight rating of less than
90 18 16,000 pounds, excluding motorcycles and motorized bicycles,
90 19 which is leased for 12 months or more. The imposition of the
90 20 fee for new registration is subject to the same exemptions
90 21 currently applicable to the use tax on vehicles. The bill
90 22 provides that the computation of a vehicle's purchase price
90 23 for purposes of the fee for new registration mirrors the
90 24 computation of "sales price" under current use tax provisions.
90 25 The director of revenue, in consultation with the department
90 26 of transportation, shall administer and enforce the fee for
90 27 new registration as nearly as possible in conjunction with the
90 28 administration and enforcement of the use tax law.

90 29 The fee for new registration is payable to the county
90 30 treasurer at the time application is made for a new
90 31 registration and certificate of title for a vehicle. As is
90 32 currently the case with the vehicle use tax, the county
90 33 treasurer shall retain \$1 from the collection of a fee for new
90 34 registration, to be deposited in the county general fund. The
90 35 bill provides a mechanism for collection of the fee by
91 1 licensed vehicle dealers at the time a vehicle is purchased
91 2 and provisions for obtaining a refund of a fee. The bill
91 3 provides that a person who makes a false statement regarding
91 4 the purchase price of a vehicle commits a fraudulent practice
91 5 and is subject to the same penalties that applied for purposes
91 6 of the use tax on vehicles.

91 7 PART 3 == MOTOR VEHICLE USE TAX == REPEAL. The bill
91 8 repeals the use tax on vehicles subject to registration and
91 9 the motor vehicle lease tax, except for the tax on the use of
91 10 leased vehicles if the lease transaction does not require
91 11 titling and registration of the vehicle. The use tax on
91 12 vehicles subject only to a certificate of title, which applies
91 13 to mobile homes, and on manufactured homes is retained under
91 14 the bill. The resulting revenue may be used to supplement
91 15 funding sources for purposes currently funded by vehicle use
91 16 taxes, with the remainder to be deposited into the road use
91 17 tax fund.

91 18 PART 4 == CONFORMING AMENDMENTS. The bill contains
91 19 conforming amendments to the Code relating to provisions in
91 20 the bill.

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91 22 dea/nh/24