

IF YOU SELL OR TRADE A VEHICLE AND TRANSFER THE REGISTRATION TO ANOTHER VEHICLE IN THE SAME MONTH

If a person sells or trades a vehicle, cancels the registration on that vehicle and transfers that registration to another vehicle in the same month, the may excise may be abated according to the date of transfer.

If such a transfer occurs during January, the registrant is eligible for a full abatement on the vehicle that the registration was transferred from.

A VEHICLE IS STOLEN

- A. A registrant is eligible for an abatement of the excise on a vehicle which is stolen, provided that the registrant:
1. notifies the police within 48 hours of discovery of the theft
 2. surrenders the certificate of registration (not sooner than 30 days after the theft) and
 3. presents a certificate of cancellation of registration from the

Registry of Motor Vehicles verifying that the vehicle has been stolen.

If the vehicle or trailer is subsequently recovered and reregistered, another excise bill will be issued for the remainder of the year. Falsely reporting the theft of a motor vehicle or trailer will result in severe penalties and person may be charged up to three time the excise due on the vehicle for the entire year.

EXCISE TAX EXEMPTIONS

Chapter 60A, Section 1 of the Massachusetts General Laws provides excise tax exemptions for vehicles owned by certain disabled individuals and veterans, ex-prisoners of war and their surviving spouse* and certain charitable organizations. Please contact your local assessors for further details on eligibility.

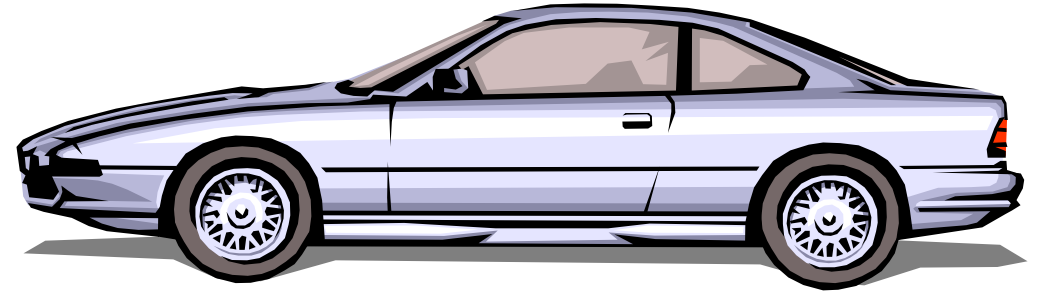
*For ex-prisoners of war and their spouses, the law allowing the exemption for the motor vehicle excise must be accepted by the city or town to be applicable.

FOR MORE INFORMATION

Questions about your motor vehicle excise should be directed to your local Board of Assessors. It is best to put all questions in writing and to request a written response so that procedures are clearly defined should additional difficulties arise. It is also important to remember that deputy tax collectors or collection agencies are agents of your local tax collector. Complaints concerning the performance of their duties should therefore, be directed to your local tax assessor.



**MOTOR VEHICLE & TRAILER EXCISE TAX
A TAXPAYERS GUIDE**



MOTOR VEHICLES SUBJECT TO EXCISE

Pursuant to Ch. 61A of the Massachusetts General Laws, every motor vehicle and trailer **registered** in the Commonwealth is subject tot he motor vehicle excise unless expressly exempted.

DEFINITION OF MOTOR VEHICLE ”

The term motor vehicles is defined in Ch. 90 section 1. The statue broadly defines motor vehicles as all vehicles constructed and designed for propulsion by power other than muscular power including such vehicles when pulled or towed by another motor vehicle. ”

The statute, however, proceeds to limit this definition by excluding the following:

- trains and trolleys, including trackless trolleys.
- vehicles used for other purposes than transportation of property and incapable of being driven at a speed exceeding 12 miles per hour and
 1. used exclusively for the building, repair and maintenance of highways or
 2. designed especially for use elsewhere than on the traveled part of ways
- wheelchairs owned and operated by invalids or guided by a person on foot
- motorized bicycles

BASIS OF THE EXCISE ASSESSMENT

The motor vehicle excise is imposed for the *privilege of registering* a motor vehicle. Registering a motor vehicle automatically triggers the assessment of the excise.



BILLING

Excise bills are prepared by the Registry of Motor Vehicles according to the information on the motor vehicle registration. They are sent to city or town assessors who commit them to the local tax collectors for distribution and collection of payment. Cities and towns may also prepare their own bills based on excise data sent by the Registry in conformity with Registry requirements.

BILL COMPUTATION

The amount of the motor vehicle excise due on any particular vehicle or trailer in any registration year is calculated by multiplying the value of the vehicle by the motor vehicle excise rate. That rate is fixed at \$25.00 per thousand dollars of value. The value of a vehicle for the purpose of the excise is the applicable percentage for that year of the manufacturer's suggested retail price for that vehicle. The applicable percentages are set out in Ch. 60A section 1 as follows:

Year preceding year of manufacture	
50%	
Year of manufacture	90%
Second Year	60%
Third Year	40%
Fourth Year	25%
Fifth and succeeding years	10%

Automobile valuations are derived from figures published in the National Automobile Dealers Association Official Used Car Guide (NADA); for heavy truck and school buses the Truck Blue Book; and for motorcycles the Hap Jones Motorcycle Blue Book is used.

PRORATION

Excise bills are prorated on a monthly basis. If a motor vehicle is registered after the beginning of any calendar year, no excise will be imposed for those months, if any, which have fully elapsed before the vehicle is registered. If a vehicle is registered for any part of a month, however, the excise will be due for all of that month. The annual excise due on a car registered after January 1 will be reduced, therefore, by one-twelfth of the full year's excise for every month prior to the one in which the vehicle was registered.

COLLECTION

Local tax collectors are responsible for collecting the motor vehicle and trailer excise. Collectors may appoint deputy tax collectors or may enter into agreements with collection agencies to assist them in the collection of delinquent accounts. Money collected on all bills, excluding deputy tax collectors' fees, is put into the municipal treasury. Generally, tax collectors and deputy tax collectors do not accept partial payment of an excise bill. Taxpayers should be prepared to pay the full amount due. There are no special considerations for financial hardship.

PAYMENT

Payment of the motor vehicle excise is due 30 days from the date the excise bill is *issued* (not mailed, as is popularly believed). According to Chapter 60A, section 2 of the Massachusetts General Laws, Failure to receive notice shall not affect the validity of the excise. "A person who does not receive a bill is still liable for the excise plus any interest charges accrued. Therefore, it is important to keep the Registry, local assessors and the post office informed of a current name or address

so that excise bills can be delivered promptly. All owners of motor vehicles must pay an excise tax; therefore, it is the responsibility of the owner to contact the local assessor if he/she has not received a bill.

ABATEMENTS

Chapter 60A section 1 makes an abatement available if **during a calendar year ownership of a motor vehicle...is transferred by sale or otherwise and its registration is surrendered.** " Although payment of a bill is not a precondition for an abatement, an owner risks incurring late fees and penalties if an abatement is not granted. Applications for abatement must be received by the Assessors by December 31 of the year following the year of the tax. If the bill is mailed after December 1 of the year following the tax year, application must be made on or before the 30th day from the date of issue or the date of mailing, whichever is later. Abatements may be handled through the mail; however, the bill should be paid as assessed and a refund will follow if the abatement is granted.

IF YOU TRANSFER TITLE TO A VEHICLE AND CANCEL THE REGISTRATION

Two actions are necessary for qualification for this abatement eligibility. A vehicle owner must both (1) convey title to the vehicle and (2) cancel the registration on that vehicle. The performance of one of these actions, alone, does not qualify a person for an abatement. **Therefore, a person who cancels the registration on a vehicle during a calendar year but does not convey title to the vehicle is not entitled to an excise abatement for any part of that year.** For the succeeding year, the vehicle should be assessed as personal property.

A transfer of title may be made by gift, sale, repossession or any other action which conveys ownership from the registrant to some other person. A vehicle may also be disposed of at a junkyard. The registrant, when applying for an abatement, should be ready to provide a copy of a bill of sale or receipt stating the name of the person or place the vehicle was sold to or disposed at.

IF YOU VE MOVED

A person is eligible for an excise abatement who during a calendar year...removes to another state and registers such motor vehicle or trailer in such other state and surrenders or does not renew his/her registration in this state. "

If the owner of the vehicle moves out of Massachusetts and registers his/her vehicle in another state and cancels his/her Massachusetts registration or does not renew it may file for an abatement for that portion of the year after the month in which the vehicle was registered in the new state. Please note that it is necessary for a person who has moved out-of-state to cancel the registration and obtain a plate return receipt in order to avoid problems with an excise tax abatement application or future registration in the new state, unless it is the general policy of that state to confiscate the plates from the old state (California, Arizona, i.e.).

