

SS HCS HB 1329 -- MOTOR VEHICLES

(Vetoed by the Governor)

This bill changes the laws regarding motor vehicles.

The bill specifies that the sale of a motor vehicle, trailer, boat, or outboard motor, regardless of whether the sale took place in this state, must be deemed to be consummated at the time of registration with the Department of Revenue at the purchaser's residence and restores, retroactively and prospectively, the application of Missouri's local sales tax law so that local sales taxes must continue to be imposed and collected on all motor vehicles, trailers, boats, or outboard motors upon registration with the department. The bill specifies that it is the intent of the legislature to reject and abrogate the portion of the holding in *Craig A. Street v. Director of Revenue*, No. SC91371 (Mo. banc Jan. 31, 2012) interpreting local sales taxes to be inapplicable to out-of-state purchases of these items. The option to impose a local use tax cannot be effective on the sale of any motor vehicle, trailer, boat, or outboard motor purchased outside the state unless the purchase is not deemed to be consummated at the residence of the purchaser under specified provisions.

The Director of the Department of Revenue is authorized to produce or allow others to produce a weather resistant, nontearing temporary permit authorizing the operation of a motor vehicle or trailer by a buyer for not more than 30 days from the date of purchase. The temporary permit may be purchased from the central office of the department, an authorized agent of the department, or a motor vehicle dealer upon the purchase of a motor vehicle or trailer that the buyer has registered and for which he or she is awaiting receipt of registration plates. The fee for a temporary permit cannot exceed \$5. Currently, the fee is \$7.50. The department director must direct motor vehicle dealers and authorized agents to obtain temporary permits from an authorized producer.

The distribution of funds from the temporary permits sold by motor vehicle dealers and license offices is revised. Revenues collected by an authorized producer will not constitute state revenue moneys; only permits sold directly by the department to purchasers must continue to be credited to the State Highway Department Fund. No state funds can be utilized to compensate motor vehicle dealers or other producers for their role in producing temporary permits.

Each temporary permit issued must be securely fastened to the back or rear of the motor vehicle in a manner and place consistent with registration plates so that all parts and

qualities are plainly and clearly visible, reasonably clean, and not impaired in any way. The department director may reissue a temporary registration permit at his or her discretion for a motor vehicle or trailer while proper title and registration are being obtained. Upon the issuance of a temporary permit by the department, agent, or dealer, the department director must make the information associated with the permit immediately available to law enforcement.

The provisions of the bill regarding sale taxes on vehicles, trailers, boats, and motors purchased out of state contain a nonseverability clause, and if a court of competent jurisdiction finds any provision to be unconstitutional or unenforceable, all of the provisions will be invalid and have no legal effect as of the date of the judgment.

The provisions of the bill regarding temporary permits for a vehicle or trailer become effective on the date that the department or an authorized producer begins producing the permits or on July 1, 2013, whichever occurs first, and expire July 1, 2019.

The provisions of the bill regarding the sales tax on the purchase of a motor vehicle, trailer, boat, or outboard motor contain an emergency clause.