## SECOND REGULAR SESSION

## **HOUSE BILL NO. 1408**

## 92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES MAYER (Sponsor) AND VILLA (Co-sponsor).

Read 1st time February 5, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

3868L.02I

18

## **AN ACT**

To repeal section 301.025, RSMo, and to enact in lieu thereof one new section relating to motor vehicle registration.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 301.025, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 301.025, to read as follows:

301.025. 1. No state registration license to operate any motor vehicle in this state shall be issued unless the application for license of a motor vehicle or trailer is accompanied by a tax receipt for the tax year which immediately precedes the year in which the vehicle's or trailer's registration is due and which reflects that all taxes, including delinquent taxes from prior years, have been paid, or a statement certified by the county or township collector of the county or township in which the applicant's property was assessed showing that the state and county tangible personal property taxes for such previous tax year and all delinquent taxes due have been paid by the applicant or that no such taxes were due or, if the applicant is not a resident of this state and serving in the armed forces of the United States, the application is accompanied 10 by a leave and earnings statement from such person verifying such status. In the event the registration is a renewal of a registration made two or three years previously, the application shall 11 be accompanied by proof that taxes were not due or have been paid for the two or three years 12 which immediately precede the year in which the motor vehicle's or trailer's registration is due. 13 The county or township collector shall not be required to issue a receipt for the immediately 14 preceding tax year until all personal property taxes, including all delinquent taxes currently due, 15 16 are paid. If the applicant was a resident of another county of this state in the applicable 17 preceding years, he or she must submit to the collector in the county or township of residence

proof that the personal property tax was paid in the applicable tax years. Every county and

19 township collector shall give each person a tax receipt or a certified statement of tangible 20 personal property taxes paid. The receipt issued by the county collector in any county of the first 21 classification with a charter form of government which contains part of a city with a population 22 of at least three hundred fifty thousand inhabitants which is located in more than one county, any 23 county of the first classification without a charter form of government with a population of at 24 least one hundred fifty thousand inhabitants which contains part of a city with a population of 25 at least three hundred fifty thousand inhabitants which is located in more than one county and 26 any county of the first classification without a charter form of government with a population of 27 at least one hundred ten thousand but less than one hundred fifty thousand inhabitants shall be 28 determined null and void if the person paying tangible personal property taxes issues or passes 29 a check or other similar sight order which is returned to the collector because the account upon 30 which the check or order was drawn was closed or did not have sufficient funds at the time of presentation for payment by the collector to meet the face amount of the check or order. The 31 32 collector may assess and collect in addition to any other penalty or interest that may be owed, a 33 penalty of ten dollars or five percent of the total amount of the returned check or order whichever 34 amount is greater to be deposited in the county general revenue fund, but in no event shall such 35 penalty imposed exceed one hundred dollars. The collector may refuse to accept any check or 36 other similar sight order in payment of any tax currently owed plus penalty or interest from a 37 person who previously attempted to pay such amount with a check or order that was returned to 38 the collector unless the remittance is in the form of a cashier's check, certified check or money 39 order. If a person does not comply with the provisions of this section, a tax receipt issued 40 pursuant to this section is null and void and no state registration license shall be issued or 41 renewed. Where no such taxes are due each such collector shall, upon request, certify such fact 42 and transmit such statement to the person making the request. Each receipt or statement shall 43 describe by type the total number of motor vehicles on which personal property taxes were paid, 44 and no renewal of any state registration license shall be issued to any person for a number greater 45 than that shown on his or her tax receipt or statement except for a vehicle which was purchased without another vehicle being traded therefor, or for a vehicle previously registered in another 46 47 state, provided the application for title or other evidence shows that the date the vehicle was 48 purchased or was first registered in this state was such that no personal property tax was owed 49 on such vehicle as of the date of the last tax receipt or certified statement prior to the renewal. 50 The director of revenue shall make necessary rules and regulations for the enforcement of this 51 section, and shall design all necessary forms. If electronic data is not available, residents of 52 counties with a township form of government and with township collectors shall present personal 53 property tax receipts which have been paid for the preceding two years when registering under this section. 54

55

56

57

58

59

60

61

63

64

65

66

67 68

70

71

72

73

74

75

76

77 78

79

80

81 82

83

84

86

87

88 89

90

2. Every county collector in counties with a population of over six hundred thousand and less than nine hundred thousand shall give priority to issuing tax receipts or certified statements pursuant to this section for any person whose motor vehicle registration expires in January. Such collector shall send tax receipts or certified statements for personal property taxes for the previous year within three days to any person who pays the person's personal property tax in person, and within twenty working days, if the payment is made by mail. Any person wishing to have priority pursuant to this subsection shall notify the collector at the time of payment of the property taxes that a motor vehicle registration expires in January. Any person purchasing a new vehicle in December and licensing such vehicle in January of the following year, may use the personal property tax receipt of the prior year as proof of payment.

- 3. In addition to all other requirements, the director of revenue shall not register any vehicle subject to the heavy vehicle use tax imposed by Section 4481 of the Internal Revenue Code of 1954 unless the applicant presents proof of payment, or that such tax is not owing, in such form as may be prescribed by the United States Secretary of the Treasury. No proof of payment of such tax shall be required by the director until the form for proof of payment has been prescribed by the Secretary of the Treasury.
- 4. Beginning July 1, 2000, a county or township collector may notify, by ordinary mail, any owner of a motor vehicle for which personal property taxes have not been paid that if full payment is not received within thirty days the collector may notify the director of revenue to suspend the motor vehicle registration for such vehicle. Any notification returned to the collector by the post office shall not result in the notification to the director of revenue for suspension of a motor vehicle registration. Thereafter, if the owner fails to timely pay such taxes the collector may notify the director of revenue of such failure. Such notification shall be on forms designed and provided by the department of revenue and shall list the motor vehicle owner's full name, including middle initial, the owner's address, and the year, make, model and vehicle identification number of such motor vehicle. Upon receipt of this notification the director of revenue may provide notice of suspension of motor vehicle registration to the owner at the owner's last address shown on the records of the department of revenue. Any suspension imposed may remain in effect until the department of revenue receives notification from a county or township collector that the personal property taxes have been paid in full. Upon the owner furnishing proof of payment of such taxes and paying a twenty dollar reinstatement fee to the director of revenue the motor vehicle or vehicles registration shall be reinstated. In the event a motor vehicle registration is suspended for nonpayment of personal property tax the owner so aggrieved may appeal to the circuit court of the county of his or her residence for review of such suspension at any time within thirty days after notice of motor vehicle registration suspension. Upon such appeal the cause shall be heard de novo in the manner provided by chapter 536,

RSMo, for the review of administrative decisions. The circuit court may order the director to reinstate such registration, sustain the suspension of registration by the director or set aside or modify such suspension. Appeals from the judgment of the circuit court may be taken as in civil cases. The prosecuting attorney of the county where such appeal is taken shall appear in behalf of the director, and prosecute or defend, as the case may require.

- 5. Beginning July 1, 2005, the director of revenue shall deny an application for a motor vehicle registration or renewal of a motor vehicle registration if the owner of that motor vehicle is delinquent in payment of vehicle-related fees or fines to any city not within a county as determined by the city not within the county. For the purpose of this section, "vehicle-related fees and fines" includes, but is not limited to, traffic violation fines, parking violation fines, vehicle towing, storage and immobilization fees, and any late payment penalties, other fees, and court costs associated with the adjudication or collection of those fines.
- 6. A city not within a county may notify, by ordinary mail, any owner of a motor vehicle who is delinquent in payment of vehicle-related fees and fines that if full payment is not received within thirty days the director of revenue may be authorized to deny any application by such owner for the issuance or renewal of the motor vehicle registration for such vehicle and other vehicles owned by the vehicle owner and charge a reasonable reinstatement or processing fee. Any notification returned by the post office to the city not within a county may be sent to the director of revenue. The department of revenue may subsequently take any action it deems reasonable to notify the owner and the city not within a county of the denial of issuance or renewal of the motor vehicle registration.
- 7. If after notification under subsection 2 of this section the vehicle owner fails to pay such vehicle-related fees and fines to the city not within a county within thirty days from the date of such notice, the city not within a county may notify the director of revenue of such failure. Such notification shall be on forms approved by the department of revenue and shall list the vehicle owner's full name and address, and the year, make, model, and vehicle identification number of such motor vehicle. In addition, the department of revenue may, before renewing or issuing the registration of any motor vehicle, check the driver's license record or records of all registered owners for notification that the licensee is delinquent in payment of lawfully-imposed vehicle-related fees or fines within the time prescribed herein.
- 8. Upon receipt of notification under subsection 3 of this section, the director of revenue shall deny applications for registration or renewal of registration on that vehicle and all other vehicles owned by the vehicle owner, until the department of revenue receives notification from the city not within a county that the vehicle owner has paid the vehicle-

related fees and fines in full or otherwise satisfied his or her obligations regarding the delinquent vehicle-related fees and fines. Upon the city not within a county furnishing such notification and the vehicle owner paying the reinstatement fee designated by the department of revenue, the motor vehicle registration shall be reinstated or issued.

- 9. If a renewal or issuance of a motor vehicle registration is denied under this section, the owner so aggrieved may appeal to the municipal court or circuit court of the city not within a county for review of such denial at any time within thirty days from the date of the notice of motor vehicle registration denial. Upon such appeal, the cause shall be heard de novo in the manner provided by chapter 536, RSMo, for the review of administrative decisions. The circuit court or municipal court may order the director to issue or renew such registration, sustain the denial of registration by the director, or set aside or modify such denial. Appeals from the judgment of the circuit court or municipal court may be taken as in civil cases. The prosecuting attorney of the county where such appeal is taken shall appear in behalf of the director.
- 10. The director of revenue may make necessary rules and regulations for the enforcement of this section, and shall design all necessary forms, subject to the approval of the city not within a county. All notifications among state and local jurisdictions may be made electronically.
- 11. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2000, shall be invalid and void.