SECOND REGULAR SESSION

HOUSE BILL NO. 2443

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BRANDOM.

D. ADAM CRUMBLISS, Chief Clerk

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Section A. Section 301.025, RSMo, is repealed and one new section enacted in lieu 2 thereof, to be known as section 301.025, to read as follows: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 2 3 receipt for the tax year which immediately precedes the year in which the vehicle's or trailer's 4 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 collector or collector-treasurer of the 5 6 county in which the applicant's property was assessed, or if applicable a statement certified 7 by the collector of the city in which the applicant's property was assessed, showing that the 8 state and county tangible personal property taxes, or if applicable the city tangible personal 9 property taxes, for such previous tax year and all delinquent taxes due have been paid by the 10 applicant, or a statement certified by the county or township collector, or the city collector if 11 **applicable**, for such previous year that no such taxes were assessed or due and, the applicant has 12 no unpaid taxes on the collector's tax roll for any subsequent year or, if the applicant is not a resident of this state and serving in the armed forces of the United States, the application is 13 accompanied by a leave and earnings statement from such person verifying such status or, if the 14 15 applicant is an organization described pursuant to subdivision (5) of section 137.100, RSMo, or subsection 1 of section 137.101, RSMo, the application is accompanied by a document, in a form 16 17 approved by the director, verifying that the organization is registered with the department of

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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revenue or is determined by the Internal Revenue Service to be a tax-exempt entity. If the 18 19 director of the department of revenue has been notified by the assessor pursuant to subsection 20 2 of section 137.101, RSMo, that the applicant's personal property is not tax exempt, then the 21 organization's application shall be accompanied by a statement certified by the county collector 22 or collector-treasurer of the county in which the organization's property was assessed, or a 23 statement certified by the city collector if applicable, showing that the state and county 24 tangible personal property taxes, or if applicable the city tangible personal property taxes, 25 for such previous tax year and all delinquent taxes due have been paid by the organization. In 26 the event the registration is a renewal of a registration made two or three years previously, the 27 application shall be accompanied by proof that taxes were not due or have been paid for the two 28 or three years which immediately precede the year in which the motor vehicle's or trailer's 29 registration is due. The county collector or collector-treasurer, or city collector if applicable, 30 shall not be required to issue a receipt or certified statement that taxes were not assessed or due 31 for the immediately preceding tax year until all personal property taxes, including all current and 32 delinquent taxes, are paid. If the applicant was a resident of another county or city of this state 33 in the applicable preceding years, he or she must submit to the collector or collector-treasurer in 34 the county of residence, or to the city collector, proof that the personal property tax was paid 35 in the applicable tax years. Every county collector and collector-treasurer, and every city 36 collector if applicable, shall give each person a tax receipt or a certified statement of tangible 37 personal property taxes paid. The receipt issued by the county collector in any county of the first classification with a charter form of government which contains part of a city with a population 38 39 of at least three hundred fifty thousand inhabitants which is located in more than one county, any 40 county of the first classification without a charter form of government with a population of at least one hundred fifty thousand inhabitants which contains part of a city with a population of 41 42 at least three hundred fifty thousand inhabitants which is located in more than one county and 43 any county of the first classification without a charter form of government with a population of 44 at least one hundred ten thousand but less than one hundred fifty thousand inhabitants shall be 45 determined null and void if the person paying tangible personal property taxes issues or passes a check or other similar sight order which is returned to the collector because the account upon 46 47 which the check or order was drawn was closed or did not have sufficient funds at the time of 48 presentation for payment by the collector to meet the face amount of the check or order. The 49 collector may assess and collect in addition to any other penalty or interest that may be owed, a 50 penalty of ten dollars or five percent of the total amount of the returned check or order whichever 51 amount is greater to be deposited in the county general revenue fund, but in no event shall such 52 penalty imposed exceed one hundred dollars. The collector may refuse to accept any check or 53 other similar sight order in payment of any tax currently owed plus penalty or interest from a

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54 person who previously attempted to pay such amount with a check or order that was returned to 55 the collector unless the remittance is in the form of a cashier's check, certified check or money 56 order. If a person does not comply with the provisions of this section, a tax receipt issued 57 pursuant to this section is null and void and no state registration license shall be issued or 58 renewed. Where no such taxes are due each such collector shall, upon request, certify such fact 59 and transmit such statement to the person making the request. Each receipt or statement shall 60 describe by type the total number of motor vehicles on which personal property taxes were paid, and no renewal of any state registration license shall be issued to any person for a number greater 61 62 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 63 64 state, provided the application for title or other evidence shows that the date the vehicle was 65 purchased or was first registered in this state was such that no personal property tax was owed 66 on such vehicle as of the date of the last tax receipt or certified statement prior to the renewal. 67 The director of revenue shall make necessary rules and regulations for the enforcement of this section, and shall design all necessary forms. If electronic data is not available, residents of 68 69 counties with a township form of government and with collector-treasurers shall present personal 70 property tax receipts which have been paid for the preceding two years when registering under 71 this section.

72 2. Every county collector in counties with a population of over six hundred thousand and 73 less than nine hundred thousand shall give priority to issuing tax receipts or certified statements 74 pursuant to this section for any person whose motor vehicle registration expires in January. Such 75 collector shall send tax receipts or certified statements for personal property taxes for the 76 previous year within three days to any person who pays the person's personal property tax in 77 person, and within twenty working days, if the payment is made by mail. Any person wishing 78 to have priority pursuant to this subsection shall notify the collector at the time of payment of 79 the property taxes that a motor vehicle registration expires in January. Any person purchasing 80 a new vehicle in December and licensing such vehicle in January of the following year may use 81 the personal property tax receipt of the prior year as proof of payment.

82 3. In addition to all other requirements, the director of revenue shall not register any 83 vehicle subject to the heavy vehicle use tax imposed by Section 4481 of the Internal Revenue 84 Code of 1954 unless the applicant presents proof of payment, or that such tax is not owing, in 85 such form as may be prescribed by the United States Secretary of the Treasury. No proof of 86 payment of such tax shall be required by the director until the form for proof of payment has 87 been prescribed by the Secretary of the Treasury.

4. Beginning July 1, 2000, a county collector [or], collector-treasurer, or city 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 90 91 the director of revenue to suspend the motor vehicle registration for such vehicle. Any 92 notification returned to the collector or collector-treasurer by the post office shall not result in 93 the notification to the director of revenue for suspension of a motor vehicle registration. 94 Thereafter, if the owner fails to timely pay such taxes the collector or collector-treasurer may 95 notify the director of revenue of such failure. Such notification shall be on forms designed and 96 provided by the department of revenue and shall list the motor vehicle owner's full name, 97 including middle initial, the owner's address, and the year, make, model and vehicle 98 identification number of such motor vehicle. Upon receipt of this notification the director of 99 revenue may provide notice of suspension of motor vehicle registration to the owner at the 100 owner's last address shown on the records of the department of revenue. Any suspension 101 imposed may remain in effect until the department of revenue receives notification from a county 102 collector or collector-treasurer that the personal property taxes have been paid in full. Upon the 103 owner furnishing proof of payment of such taxes and paying a twenty dollar reinstatement fee 104 to the director of revenue the motor vehicle or vehicles registration shall be reinstated. In the 105 event a motor vehicle registration is suspended for nonpayment of personal property tax the 106 owner so aggrieved may appeal to the circuit court of the county of his or her residence for 107 review of such suspension at any time within thirty days after notice of motor vehicle registration 108 suspension. Upon such appeal the cause shall be heard de novo in the manner provided by 109 chapter 536, RSMo, for the review of administrative decisions. The circuit court may order the 110 director to reinstate such registration, sustain the suspension of registration by the director or set 111 aside or modify such suspension. Appeals from the judgment of the circuit court may be taken 112 as in civil cases. The prosecuting attorney of the county where such appeal is taken shall appear 113 in behalf of the director, and prosecute or defend, as the case may require.

114 5. Beginning July 1, 2005, a city not within a county or any home rule city with more 115 than four hundred thousand inhabitants and located in more than one county may notify, by 116 ordinary mail, any owner of a motor vehicle who is delinquent in payment of vehicle-related fees 117 and fines that if full payment is not received within thirty days, the city not within a county or 118 any home rule city with more than four hundred thousand inhabitants and located in more than 119 one county may notify the director of revenue to suspend the motor vehicle registration for such 120 vehicle. Any notification returned to the city not within a county or any home rule city with 121 more than four hundred thousand inhabitants and located in more than one county by the post 122 office shall not result in the notification to the director of revenue for suspension of a motor 123 vehicle registration. If the vehicle-related fees and fines are assessed against a car that is 124 registered in the name of a rental or leasing company and the vehicle is rented or leased to 125 another person at the time the fees or fines are assessed, the rental or leasing company may rebut

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126 the presumption by providing the city not within a county or any home rule city with more than 127 four hundred thousand inhabitants and located in more than one county with a copy of the rental 128 or lease agreement in effect at the time the fees or fines were assessed. A rental or leasing 129 company shall not be charged for fees or fines under this subsection, nor shall the registration 130 of a vehicle be suspended, unless prior written notice of the fees or fines has been given to that 131 rental or leasing company by ordinary mail at the address appearing on the registration and the 132 rental or leasing company has failed to provide the rental or lease agreement copy within fifteen days of receipt of such notice. Any notification to a rental or leasing company that is returned 133 134 to the city not within a county or any home rule city with more than four hundred thousand 135 inhabitants and located in more than one county by the post office shall not result in the 136 notification to the director of revenue for suspension of a motor vehicle registration. For the 137 purpose of this section, "vehicle-related fees and fines" includes, but is not limited to, traffic 138 violation fines, parking violation fines, vehicle towing, storage and immobilization fees, and any 139 late payment penalties, other fees, and court costs associated with the adjudication or collection 140 of those fines.

141 6. If after notification under subsection 5 of this section the vehicle owner fails to pay 142 such vehicle-related fees and fines to the city not within a county or any home rule city with 143 more than four hundred thousand inhabitants and located in more than one county within thirty 144 days from the date of such notice, the city not within a county or any home rule city with more 145 than four hundred thousand inhabitants and located in more than one county may notify the 146 director of revenue of such failure. Such notification shall be on forms or in an electronic format 147 approved by the department of revenue and shall list the vehicle owner's full name and address, 148 and the year, make, model, and vehicle identification number of such motor vehicle and such 149 other information as the director shall require.

150 7. Upon receipt of notification under subsection 5 of this section, the director of revenue 151 may provide notice of suspension of motor vehicle registration to the owner at the owner's last 152 address shown on the records of the department of revenue. Any suspension imposed may 153 remain in effect until the department of revenue receives notification from a city not within a 154 county or any home rule city with more than four hundred thousand inhabitants and located in 155 more than one county that the vehicle-related fees or fines have been paid in full. Upon the 156 owner furnishing proof of payment of such fees and fines and paying a twenty dollar 157 reinstatement fee to the director of revenue the motor vehicle registration shall be reinstated. In 158 the event a motor vehicle registration is suspended for nonpayment of vehicle-related fees or 159 fines the owner so aggrieved may appeal to the circuit court of the county where the violation 160 occurred for review of such suspension at any time within thirty days after notice of motor 161 vehicle registration suspension. Upon such appeal the cause shall be heard de novo in the

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manner provided by chapter 536, RSMo, for the review of administrative decisions. The circuit 162 court may order the director to reinstate such registration, sustain the suspension of registration 163 by the director or set aside or modify such suspension. Appeals from the judgment of the circuit 164 court may be taken as in civil cases. The prosecuting attorney of the county where such appeal 165 is taken shall appear in behalf of the director, and prosecute or defend, as the case may require. 166 167 8. The city not within a county or any home rule city with more than four hundred 168 thousand inhabitants and located in more than one county shall reimburse the department of 169 revenue for all administrative costs associated with the administration of subsections 5 to 8 of 170 this section.

171 9. 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 172 173 with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 174 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers 175 vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the 176 effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the 177 grant of rulemaking authority and any rule proposed or adopted after August 28, 2000, shall be 178 invalid and void.

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