

HB 776 -- MOTOR VEHICLE ASSESSMENTS

SPONSOR: Reedy

Currently, county assessors must use the October issue of the National Automobile Dealers' Association Official Used Car Guide to determine the true value of a motor vehicle. The assessor cannot use a value that is greater than the average trade-in value without performing a physical inspection, unless the car is two years old or newer.

This bill requires that the county assessor determine the true value in money for motor vehicles by using the trade-in value published in the October issue of a nationally recognized automotive trade publication selected by the State Tax Commission (STC). The assessor will not use a value that is greater than the average trade-in value for the motor vehicle without performing a physical inspection of the vehicle, but for vehicles two years or newer from a vehicle's model, the assessor may use a value other than the average without performing a physical inspection.

Beginning January 1, 2026, the assessor will apply a 25 year depreciation table to the trade-in value of motor vehicles; but in no case shall the assessed value of a motor vehicle depreciate below \$100.

To implement the provisions of this bill without large variations from the prior method of assessment, the assessor will assume that the last valuation tables used prior to October 1, 2025, are fair valuations, and that these valuations are depreciated using the table described above until the end of the vehicle's useful life.

The automotive trade publication selected by the STC shall be used for a period of three years. The STC may then reauthorize the publication for an additional three years or select a different publication. The publication will be made available to all vendors by October 15th of each year.

This bill is similar to HCS HB 1690 (2024).