

HCS HBs 2951, 2958 & 2977 -- MOTOR VEHICLE REGISTRATION

SPONSOR: Lewis

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Transportation by a vote of 11 to 2 with 1 member voting "present".

The following is a summary of the House Committee Substitute for HBss 2951, 2958 & 2977.

This bill defines "resident" and "residence address" in the context of motor vehicle registration and driver licensing. There will be a rebuttable presumption that a motor vehicle owned and operated by a resident with a residence address in the State will be subject to the State's titling and registration requirements, and the owner must pay all applicable fees and taxes for the motor vehicle.

The bill provides that it will be unlawful for a resident of the State with a residence address in the State to register a motor vehicle in another state with the intent to circumvent motor vehicle titling and registration requirements or to register a motor vehicle under a shell entity in another state to circumvent motor vehicle titling and registration requirements.

This bill specifies factors for consideration when determining whether a resident intended to circumvent titling and registration requirements by registering the motor vehicle in another state and specifies factors for consideration when determining whether an entity is a shell entity.

If the Department of Revenue determines a resident of the State has registered the motor vehicle in another state, has registered the vehicle under a shell entity in another state, or has willfully made a false statement in regard to the purchase of a motor vehicle, and the resident failed to register the motor vehicle requiring registration, the Department must notify the resident in writing that:

- (1) The resident is required to obtain a Missouri certificate of title and registration for the motor vehicle and pay all taxes and fees owed within 60 days;
- (2) Failure to pay such taxes will result in a \$500 penalty; and

(3) If the resident fails to comply with (1) and (2) within the 60-day time frame, the resident's license will be suspended until all taxes and fees for registration and titling are paid in full.

Provisions of this bill related to out-of-state titling and registration do not apply to vehicles weighing more than 54,000 pounds besides recreational vehicles and vehicles with apportioned plates.

A resident of this State who willfully makes a false statement about the purchase of a motor vehicle that is subject to fees and taxes for titling and registration in this State, or who willfully attempts to evade payment of related fees and taxes, is guilty of a fraudulent practice and will be assessed a fine equal to 75% of the amount of the unpaid fees and taxes and will be required to pay all applicable fees and taxes at the time the motor vehicle is titled and registered.

The Department of Revenue can use the motorist insurance identification database to identify and determine the ownership of any motor vehicle not properly titled and registered in this State as required by law. If the Department determines the owner is not in compliance, the Department can impose a \$500 penalty on the owner.

If the Department determines appropriate fees and taxes were not paid when a motor vehicle was purchased, the owner must pay all appropriate fees, taxes, and penalties to comply with Missouri law.

The Director can waive or reduce penalties imposed under the section related to willful false statements in registering motor vehicles upon making a record of the Department's actions and upon reasonable cause shown.

The bill provides for an "amnesty period" from August 28, 2026, to December 31, 2026, for taxpayers who in this State who did not pay state and local taxes as specified in the bill or did not title and register a vehicle required to be titled and registered under the bill. Taxpayers who submit an application and are approved will have amnesty from the assessment or payment of all late fees and penalties related to motor vehicle purchases completed before August 28, 2026. The Department must issue a certificate of title and registration eligibility to each eligible taxpayer who submits a completed application during the amnesty period and facilitate the issuance of all related documentation and materials to the taxpayer, including motor

vehicle title and registration, license plates, and license plate tabs, in a timely manner.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that people are evading registration and titling fees in this state by registering vehicles directly or via a company or an LLC in another state. This is a major loss of revenue. Montana was home to an over 2.7 vehicle-to-driver ratio last year. Somewhere around 200 million dollars in taxes and fees have been avoided. This is a fairness issue, because individuals who don't pay their share leave someone else to pay for what their registration fees should have covered. Others pay their taxes, so it's not right for people to be deceptive to evade fees and taxes. This strengthens the Department of Revenue's ability to enforce requirements for vehicle titling and registration.

Testifying in person for the bill were Representative Lewis; Michael Atkinson, Department of Revenue; and Trish Vincent, Department of Revenue.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say truckers legally license and buy a lot of equipment all over the country. A lot of Missouri residents would be covered by this bill that legitimately operate commercial trucking activity in multiple states.

Testifying in person on the bill were MO Trucking Association.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.