

HCS HB 3035 -- MOTOR VEHICLE ASSESSMENTS (Reedy)

COMMITTEE OF ORIGIN: Special Committee on Tax Reform

Beginning January 1, 2027, this bill requires the assessor to use 85% of the manufacturer's suggested retail price (MSRP) for all manufactured motor vehicles to determine the original value in money of all motor vehicle assessment valuations.

The bill provides a 12-year depreciation schedule that must be applied to 85% of each MSRP to develop the annual and historical valuation guide for all motor vehicles. Each year, these values must be delivered to each approved software vendor by November 15th and listed for use in the next assessment year by December 15th.

If there is no listing available from an approved publication for a particular motor vehicle, the assessor must:

- (1) Use information or publications that fairly estimate the original value of the motor vehicle; and
- (2) Apply the depreciation schedule as provided in the bill.

The State Tax Commission (STC) must secure an annual appropriation for the guide and the programming needed to allow valuations by the vehicle identification number in all certified mass appraisal software systems. The STC or the State must be responsible for renewals and annual software cost for preparing the data in a usable format for approved software vendors.