

1-31-01 Do Pass

TRANSPORTATION
Referred to: W. S. ...
3-28-01

FILED JAN 24 '01

SENATE FILE 71
BY DRAKE

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to motor vehicle registration fees for certain
2 vehicles and providing an effective date.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 71
TRANSPORTATION

1 Section 1. Section 321.113, Code 2001, is amended to read
2 as follows:

3 321.113 AUTOMATIC REDUCTION.

4 1. The registration fee for a motor vehicle shall not be
5 automatically reduced under this section unless the
6 registration fee is based on the value and weight of the motor
7 vehicle as provided in section 321.109, subsection 1.

8 2. After If a motor vehicle is more than five model years
9 old, that the part of the registration fee which that is based
10 on the value of the vehicle shall be:

11 Seventy-five seventy-five percent of the rate as fixed when
12 the motor vehicle was new.

13 3. After If a motor vehicle is more than six model years
14 old, the part of the registration fee that is based on the
15 value of the vehicle shall be fifty percent, of the rate as
16 fixed when the motor vehicle was new.

17 ~~Aft r-a-motor-vehicle-is-more-than-eight-model-years-old,~~
18 ~~that-part-of-the-registration-fee-based-on-the-value-of-the~~
19 ~~vehicle-shall-be-ten-percent.--Where-the-ninth-registration~~
20 ~~fee-for-a-motor-vehicle-has-been-computed-and-fixed-by-the~~
21 ~~department-prior-to-July-4,-1949,-there-shall-be-added-to-the~~
22 ~~registration-fee,-in-lieu-of-the-ten-percent-provided-for~~
23 ~~herein,-one-dollar-if-such-registration-fee-has-been-computed~~
24 ~~and-fixed-at-fifteen-dollars-or-less-and-two-dollars-if-the~~
25 ~~registration-fee-has-been-computed-and-fixed-at-more-than~~
26 ~~fifteen-dollars.~~

27 4. If a 1994 model year or newer motor vehicle is nine
28 model years old or older the registration fee is thirty-five
29 dollars. For purposes of determining the portion of the
30 registration fee under this subsection that is based upon the
31 value of the motor vehicle, sixty percent of the registration
32 fee is attributable to the value of the vehicle.

33 5. a. If a 1993 model year or older motor vehicle has
34 been titled in the same person's name since the vehicle was
35 new or the title to the vehicle was transferred prior to

1 January 1, 2002, the part of the registration fee that is
2 based on the value of the vehicle shall be ten percent of the
3 rate as fixed when the motor vehicle was new.

4 b. If the title of a 1993 or older motor vehicle is
5 transferred to a new owner or if such a motor vehicle is
6 brought into the state on or after January 1, 2002, the
7 registration fee shall not be based on the weight and list
8 price of the motor vehicle, but shall be as follows:

9 (1) For a motor vehicle that is model year 1969
10 or older:
11 \$ 16.00

12 (2) For a motor vehicle that is model year 1970
13 through 1989:
14 \$ 23.00

15 (3) For a motor vehicle that is model year 1990
16 through 1993:
17 \$ 27.00

18 For purposes of determining the portion of the registration
19 fee under this paragraph "b" that is based upon the value of
20 the motor vehicle, sixty percent of the registration fee is
21 attributable to the value of the vehicle.

22 Sec. 2. Section 422.9, subsection 2, paragraph g, Code
23 2001, is amended by striking the paragraph and inserting in
24 lieu thereof:

25 g. To the extent not otherwise included pursuant to
26 section 164 of the Internal Revenue Code, add the amount of
27 the annual registration fee paid for a motor vehicle pursuant
28 to section 321.113, subsection 4, or section 321.113,
29 subsection 5, paragraph "b", which is based upon the value of
30 the vehicle. For purposes of this paragraph, sixty percent of
31 the amount of the registration fee is based upon the value of
32 the motor vehicle.

33 Sec. 3. EFFECTIVE DATE. This Act takes effect January 1,
34 2002.

1 This bill amends Code section 321.113, relating to the
2 automatic reduction of motor vehicle registration fees for
3 motor vehicles that are nine model years old or older.
4 Currently, after a motor vehicle is more than eight model
5 years old, the part of the registration fee based on the value
6 of the vehicle is 10 percent. The bill changes the fees for
7 vehicles that are nine model years old or older to flat fees,
8 based on the model year of the vehicle. However, to ensure
9 that persons owning vehicles that are more than nine model
10 years old or older and registered in this state on the
11 effective date of the amendment are not subject to a fee
12 increase, the bill makes the flat fee schedule inapplicable to
13 such vehicles until they are transferred to a new owner. The
14 bill also adds provisions to Code sections 321.113 and 422.9
15 relating to the deductibility of motor vehicle registration
16 fees for state and federal income tax purposes. The bill
17 provides that the portion of the applicable flat motor vehicle
18 registration fee that is attributable to the value of the
19 vehicle for deductibility purposes shall be 60 percent of the
20 flat fee. The bill takes effect January 1, 2002.

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