

BILL ANALYSIS

Senate Research Center

S.B. 338
By: Carona
Transportation & Homeland Security
6/3/2005
Enrolled

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, new state residents who bring in an exhibition vehicle are required to pay a \$90 new resident fee regardless of the original transaction price. Certain new residents are paying a disproportionate tax, as compared to the original purchase/transaction price, when they bring in a motor vehicle that qualifies for an exhibition vehicle specialty license plate. According to Section 504.502, Transportation Code, the term "exhibition vehicle" includes a car, truck, or motorcycle 25 or more years old; a collector's item; a vehicle exclusively used in club exhibitions, activities, and parades; and a former military vehicle, antique auto, antique truck, or antique motorcycle.

S.B. 338 allows a new resident to bring a motor vehicle into the state and pay a use tax equal to the lesser of \$90 or 6.25 percent of the total consideration paid for the vehicle, provided that the motor vehicle was eligible to be issued an exhibition vehicle specialty plate and that the motor vehicle was previously registered in another state.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 152.023, Tax Code, by amending Subsection (b) and adding Subsection (b-1), as follows:

(b) Makes a conforming change.

(b-1) Provides that the tax on a motor vehicle eligible to be issued exhibition vehicle specialty license plates under Section 504.502 (Certain Exhibition Vehicles), Transportation Code, is equal to the lesser of \$90 or 6.25 percent of the total consideration.

SECTION 2. Effective date: September 1, 2005.