

By: Krusee

H.B. No. 648

A BILL TO BE ENTITLED

AN ACT

relating to the presumptive value of a motor vehicle for purposes of the imposition of the sales and use tax.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 152.002, Tax Code, is amended by adding Subsection (f) to read as follows:

(f) Notwithstanding Subsection (a), the total consideration of a used motor vehicle is the amount on which the tax is computed as provided by Section 152.0412.

SECTION 2. Section 152.041(a), Tax Code, is amended to read as follows:

(a) The tax assessor-collector of the county in which an application for registration or for a Texas certificate of title is made shall collect taxes imposed by this chapter, subject to Section 152.0412, unless another person is required by this chapter to collect the taxes.

SECTION 3. Subchapter C, Chapter 152, Tax Code, is amended by adding Section 152.0412 to read as follows:

Sec. 152.0412. STANDARD PRESUMPTIVE VALUE; USE BY TAX ASSESSOR-COLLECTOR. (a) In this section, "standard presumptive value" means the average retail value of a motor vehicle as determined by the Texas Department of Transportation, based on a nationally recognized motor vehicle industry reporting service.

(b) If the amount paid for a motor vehicle subject to the tax

1 imposed by this chapter is equal to or greater than the standard  
2 presumptive value of the vehicle, a county tax assessor-collector  
3 shall compute the tax on the amount paid.

4 (c) If the amount paid for a motor vehicle subject to the tax  
5 imposed by this chapter is less than the standard presumptive value  
6 of the vehicle, a county tax assessor-collector shall compute the  
7 tax on the standard presumptive value unless the purchaser  
8 establishes the retail value of the vehicle as provided by  
9 Subsection (d).

10 (d) A county tax assessor-collector shall compute the tax  
11 imposed by this chapter on the retail value of a motor vehicle if:

12 (1) the retail value is shown on an appraisal  
13 certified by an adjuster licensed under Chapter 4101, Insurance  
14 Code, or by a motor vehicle dealer operating under Subchapter B,  
15 Chapter 503, Transportation Code;

16 (2) the appraisal is on a form prescribed by the  
17 comptroller for that purpose; and

18 (3) the purchaser of the vehicle obtains the appraisal  
19 not later than the 20th day after the date of purchase.

20 (e) On request, a motor vehicle dealer operating under  
21 Subchapter B, Chapter 503, Transportation Code, shall provide a  
22 certified appraisal of the retail value of a motor vehicle. The  
23 comptroller by rule shall establish a fee that a dealer may charge  
24 for providing the certified appraisal. The county tax  
25 assessor-collector shall retain a copy of a certified appraisal  
26 received under this section for a period prescribed by the  
27 comptroller.

1       (f) The Texas Department of Transportation shall maintain  
2 information on the standard presumptive values of motor vehicles as  
3 part of the department's registration and title system. The  
4 department shall update the information at least quarterly each  
5 calendar year.

6       SECTION 4. Not later than September 1, 2005, the Texas  
7 Department of Transportation shall:

8           (1) establish standard presumptive values for motor  
9 vehicles as provided by Section 152.0412, Tax Code, as added by this  
10 Act;

11           (2) modify the department's registration and title  
12 system as needed to include that information and administer that  
13 section; and

14           (3) make that information available through the system  
15 to all county tax assessor-collectors.

16       SECTION 5. (a) Except as provided by Subsection (b) of this  
17 section, this Act takes effect immediately if it receives a vote of  
18 two-thirds of all the members elected to each house, as provided by  
19 Section 39, Article III, Texas Constitution. If this Act does not  
20 receive the vote necessary for immediate effect, this Act takes  
21 effect on the 91st day after the last day of the legislative  
22 session.

23           (b) Section 152.0412, Tax Code, as added by this Act, takes  
24 effect September 1, 2005.