

By: Brown of Kaufman

H.B. No. 1627

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) Except as otherwise provided by this section, if the

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

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

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

13 (1) the retail value is shown on an appraisal that is:

14 (A) certified by an adjuster licensed under
15 Chapter 4101, Insurance Code, or by a motor vehicle dealer
16 operating under Subchapter B, Chapter 503, Transportation Code;

17 (B) on a form prescribed by the comptroller for
18 that purpose; and

19 (C) obtained by the purchaser of the vehicle not
20 later than the 20th day after the date of purchase; or

21 (2) the purchaser presents a receipt or other proof of
22 purchase of the motor vehicle that is prepared by the seller of the
23 motor vehicle.

24 (e) On request, a motor vehicle dealer operating under
25 Subchapter B, Chapter 503, Transportation Code, shall provide a
26 certified appraisal of the retail value of a motor vehicle. The
27 comptroller by rule shall establish a fee that a dealer may charge

1 for providing the certified appraisal. The county tax
2 assessor-collector shall retain a copy of a certified appraisal
3 received under this section for a period prescribed by the
4 comptroller.

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

10 (g) This section does not apply to a transaction described
11 by Section 152.024 or 152.025.

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

14 (1) establish standard presumptive values for motor
15 vehicles as provided by Section 152.0412, Tax Code, as added by this
16 Act;

17 (2) modify the department's registration and title
18 system as needed to include that information and administer that
19 section; and

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

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

1 session.

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