

SENATE BILL NO. 131

Introduced: 01/13/83

Referred to Committee on Taxation: 01/13/83

Hearing: 1/20/83

Died in Committee.

1 *Senate* BILL NO. 131  
 2 INTRODUCED BY *Don O'Rourke*  
 3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE MOTOR  
 5 VEHICLE DIVISION TO PRESCRIBE THE FORM OF THE 20-DAY PROOF  
 6 OF PURCHASE WHICH MAY BE DISPLAYED ON TRANSFERRED MOTOR  
 7 VEHICLES; AUTHORIZING COUNTY TREASURERS TO COLLECT A FEE FOR  
 8 ISSUING THE PROOF OF PURCHASE; ALLOWING ONLY ONE PROOF OF  
 9 PURCHASE PER TRANSFER OF TITLE; AMENDING SECTION 61-3-317,  
 10 MCA."

11  
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 13 Section 1. Section 61-3-317, MCA, is amended to read:  
 14 "61-3-317. New registration required for transferred  
 15 vehicle -- grace period -- penalty -- display of proof of  
 16 purchase. Except as otherwise provided herein, the new owner  
 17 of a transferred motor vehicle shall have a grace period of  
 18 20 calendar days from the date of purchase to make  
 19 application and pay the taxes, or fees, or both provided by  
 20 part 5 of this chapter, unless the tax or fee has been paid  
 21 for the year, as if the vehicle were being registered for  
 22 the first time in that registration year. If the motor  
 23 vehicle was not purchased from a duly licensed motor vehicle  
 24 dealer as provided in this chapter, it is not a violation of  
 25 this chapter or any other law for the purchaser to operate

1 the vehicle upon the streets and highways of this state  
 2 without a certificate of registration during the 20-day  
 3 period, provided that at all times during that period a ~~bill~~  
 4 ~~of sale or other~~ proof of purchase ~~issued by the county~~  
 5 ~~treasurer or a law enforcement officer authorized by the~~  
 6 ~~division is displayed on the vehicle. The cost of the proof~~  
 7 ~~of purchase is \$2, one-half of which shall be distributed to~~  
 8 ~~the county general fund and one-half to the state general~~  
 9 ~~fund. The proof of purchase must be in a form prescribed by~~  
 10 ~~the division,~~ reciting the date of purchase ~~is,~~ and ~~must be~~  
 11 clearly displayed in the rear window of the motor vehicle.  
 12 Registration and license fees collected under 61-3-321 are  
 13 not required to be paid when a license plate is transferred  
 14 under this section and 61-3-335. Failure to make application  
 15 within the time provided herein subjects the purchaser to a  
 16 penalty of \$10. The penalty shall be collected by the county  
 17 treasurer at the time of registration and shall be in  
 18 addition to the fees otherwise provided by law. ~~The county~~  
 19 ~~treasurer shall keep a record of all proofs of purchase~~  
 20 ~~issued. Only one proof of purchase may be issued for each~~  
 21 ~~transfer of title."~~

-End-

## FISCAL NOTE

Form BD-15

In compliance with a written request received January 14, 19 83, there is hereby submitted a Fiscal Note for Senate Bill 131 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 131 authorizes the Motor Vehicle Division to prescribe the form of the 20-day proof-of-purchase which may be displayed on transferred motor vehicles and authorizes county treasurers to collect a fee for issuing the proof-of-purchase.

ASSUMPTIONS:

- 1) Approximately 50 percent of title transfers are between individuals rather than dealers.
- 2) Fiscal note assumes a maximum of 75,000 will obtain proof-of-purchase.
- 3) Motor Vehicle Division will provide proof-of-purchase forms.

FISCAL IMPACT:

	<u>FY 84</u>	<u>FY 85</u>
Proof-of-Purchase Fees:		
Under Current Law	\$ 0	\$ 0
Under Proposed Law	<u>75,000</u>	<u>75,000</u>
Increase in Revenue (One-half to counties and one-half to MVD)	<u>\$75,000</u>	<u>\$75,000</u>
Printing and Postage:		
Under Current Law	\$ 0	\$ 0
Under Proposed Law	<u>2,500</u>	<u>2,500</u>
Increase in Expenditures	<u>\$ 2,500</u>	<u>\$ 2,500</u>
Net Effect To General Fund	<u>\$72,500</u>	<u>\$72,500</u>

LOCAL IMPACT:

County Treasurers will realize additional workload recording all proofs-of-purchase issued as well as accounting for fees collected. The counties will receive one-half of the \$2.00 charge, bringing an estimated \$75,000 for the biennium in increased revenues to the counties.

FISCAL NOTE 4:W/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-19-83