

1 ~~section 8911 of this title, the amount of the tax shall be six percent of the~~

2 taxable cost of a:

3 (A) pleasure car as defined in 23 V.S.A. § 4;

4 (B) motorcycle as defined in 23 V.S.A. § 4;

5 (C) motor home as defined in subdivision 8902(11) of this title; or

6 (D) vehicle weighing up to 10,099 pounds, registered pursuant to
7 23 V.S.A. § 367, other than a farm truck.

8 (2) For any other motor vehicle, it shall be six percent of the taxable
9 cost of the motor vehicle or \$2,075.00 for each motor vehicle, whichever is
10 smaller, except that pleasure cars that are purchased, leased, or otherwise
11 acquired for use in short-term rentals shall be subject to taxation under
12 subsection (d) of this section.

13 (b)(1) ~~There~~ Except as otherwise provided in this subsection or excepted in
14 section 8911 of this title, there is hereby imposed upon the use within this

15 State a tax of six percent of the taxable cost of a:

16 (A) pleasure car as defined in 23 V.S.A. § 4;

17 (B) motorcycle as defined in 23 V.S.A. § 4;

18 (C) motor home as defined in subdivision 8902(11) of this title; or

19 (D) vehicle weighing up to 10,099 pounds, registered pursuant to
20 ~~23 V.S.A. § 367, other than a farm truck.~~

1 ~~(2) For any other motor vehicle, it shall be six percent of the taxable~~
2 ~~cost of the motor vehicle or \$2,075.00 for each motor vehicle, whichever is~~
3 ~~smaller, by a person at the time of first registering or transferring a registration~~
4 ~~to such motor vehicle payable as hereinafter provided, except no use tax shall~~
5 ~~be payable hereunder if the tax imposed by subsection (a) of this section has~~
6 ~~been paid, or the vehicle is a pleasure car that was purchased, leased, or~~
7 ~~otherwise acquired for use in short-term rentals, in which case the vehicle shall~~
8 ~~be subject to taxation under subsection (d) of this section.~~

9 (c) The Vermont registration, transfer of Vermont registration, or the
10 issuance of a Vermont certificate of title of a motor vehicle shall be conclusive
11 evidence that the purchase and use tax applies except as provided in section
12 8911 of this title.

13 (d) There is hereby imposed a use tax on the rental charge of each
14 transaction, in which the renter takes possession of the vehicle in this State,
15 during the life of a pleasure car purchased for use in short-term rentals, which
16 tax is to be collected by the rental company from the renter and remitted to the
17 Commissioner. The amount of the tax shall be nine percent of the rental
18 charge. Rental charge means the total rental charge for the use of the pleasure
19 car, but does not include a separately stated charge for insurance, or recovery
20 of refueling cost, or other separately stated charges which are not for the use of
21 the pleasure car. In the event of resale of the vehicle in this State for use other

1 ~~than short term rental, such transaction shall be subject to the tax imposed by~~
2 subsection (a) of this section.

3 (e)(1) Any person registering a pleasure car in this State subject to the tax
4 imposed by subsection (d) of this section must pay the tax imposed by
5 subsection (a) or (b) upon demand of the Commissioner if:

6 (A) the vehicle is rented for less than 30 days in a continuous period
7 of 365 days or for less than 60 days in a continuous period of 730 days; or

8 (B) the vehicle is no longer used in short-term rentals; and

9 (C) the vehicle has not been stolen, converted, or abandoned.

10 (2) For taxation purposes, the value of the vehicle shall be fixed in
11 accordance with section 8907 of this title as of the time the event causing the
12 imposition of the tax under subsection (a) or (b) of this section occurs.

13 (f) There is hereby imposed a tax at the rate prescribed in subsection (a) of
14 this section on any amount charged at the end of a motor vehicle lease contract
15 resulting from excess wear and tear or excess mileage.

16 (g)(1) There is hereby imposed upon the titling in this State a tax at the rate
17 provided for in subsection (a) or (b) of this section of the taxable cost of a:

18 (A) pleasure car as defined in 23 V.S.A. § 4;

19 (B) motorcycle as defined in 23 V.S.A. § 4;

20 ~~(C) motor home as defined in subdivision 8902(11) of this title, or~~

1 ~~(D) vehicle weighing up to 10,000 pounds, registered pursuant to 23~~
2 V.S.A. § 367, other than a farm truck.

3 (2) For any other motor vehicle, it shall be at the rate provided for in
4 subsection (a) or (b) of this section and paid by a person at the time of
5 obtaining a certificate of title to the vehicle, except no tax shall be payable
6 hereunder if the tax imposed by subsection (a) or (b) of this section has been
7 paid, or the vehicle is a pleasure car which was purchased, leased, or otherwise
8 acquired for use in short-term rentals, in which case the vehicle shall be
9 subject to taxation under subsection (d) of this section.

10 Sec. 2. 32 V.S.A. § 8911 is amended to read:

11 § 8911. EXCEPTIONS

12 The tax imposed by this chapter shall not apply to:

13 * * *

14 (6) A pleasure car purchased by a participant in the Reach Up Program
15 established pursuant to 33 V.S.A. chapter 11 as a benefit provided through the
16 Department for Children and Families.

17 * * *

18 Sec. 3. 23 V.S.A. § 361 is amended to read:

19 § 361. PLEASURE CARS

20 The annual fee for registration of any motor vehicle of the pleasure car
21 type, and all vehicles powered by electricity, shall be \$74.00, and the biennial

1 ~~fee shall be \$136.00. The annual fee shall be waived for one year for pleasure~~
2 cars purchased by a participant in the Reach Up Program established pursuant
3 to 33 V.S.A. chapter 11 as a benefit provided through the Department for
4 Children and Families.

5 Sec. 4. EFFECTIVE DATE

6 ~~This act shall take effect on July 1, 2019.~~

Sec. 1. REACH UP AND REACH AHEAD PILOT PROGRAM

In fiscal year 2020, the Department for Children and Families shall provide
the Good News Garage with an additional \$434.00, beyond the \$6,000.00
purchase price, for each personal car purchased by the Department for a
participant in the Reach Up or Reach Ahead programs. The \$434.00 shall be
transferred by the Good News Garage to the participant in the Reach Up or
Reach Ahead program for whom the Department purchased the personal car to
cover the costs of the motor vehicle sales and use tax pursuant to 32 V.S.A.
§ 8903 and the registration fee for the first year pursuant to 23 V.S.A. § 361.

Sec. 2. REACH UP AND REACH AHEAD PILOT PROGRAM REPORT

The Department for Children and Families, in consultation with the Good
News Garage and the Departments of Motor Vehicles and of Taxes, shall file a
written report on the pilot program established in Sec. 1 of this act with the
House Committee on Human Services and the Senate Committee on Health
and Welfare on or before March 1, 2020. The report shall address the number

of personal cars purchased by the Department for Children and Families for participants in the Reach Up and Reach Ahead programs in fiscal year 2020 through January 31, 2020, the number of those personal cars subsequently registered with the Department of Motor Vehicles, whether the sales and use tax was paid on each of those personal cars, any difficulties or successes with the implementation of the pilot program, and anything else the Department for Children and Families wishes to address.

Sec. 3. SPENDING AUTHORITY

The Department for Children and Families is authorized to spend \$26,040.00 from any vacancy savings associated with bringing on new employees in the Family Services Division in fiscal year 2020 for the purpose of implementing the pilot program established in Sec. 1 of this act.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.