

S.123

Language for Possible Replacement of Section 43

Sec. 43. MOTOR VEHICLE PURCHASE AND USE TAX; INSPECTIONS;
REPORT

(a) On or before January 31, 2026, the Commissioner of Motor Vehicles shall submit a written report to the House Committees on Transportation and on Ways and Means and the Senate Committees on Finance and on Transportation regarding the process for determining the taxable cost of a used motor vehicle for purposes of the purchase and use tax and the impact of annual motor vehicle safety and emissions inspections on Vermonters with lower-income.

(b) The report shall include, at a minimum, the following:

(1) the number of persons during calendar years 2024 and 2025 who utilized the dealer appraisal process for determining the taxable cost of a used motor vehicle for purposes of the purchase and use tax;

(2) the age and type of vehicles for which the dealer appraisal process was utilized during calendar years 2024 and 2025;

(3) the difference between the clean trade-in value and the appraised value of vehicles for which the dealer appraisal process was utilized during calendar years 2024 and 2025;

1 (4) the number of appeals of the taxable cost of a motor vehicle that
2 were filed in calendar years 2024 and 2025;

3 (5) the number appeals that resulted in a revision of the taxable cost and
4 the difference between the originally assessed taxable cost and the revised
5 taxable cost following the appeal;

6 (6) a summary of issues identified by persons contacting the email
7 address established pursuant to subsection (c) of this section;

8 (7) a summary of funding and other assistance related to annual motor
9 vehicle safety and emissions inspections that is available to Vermonters with
10 lower-income;

11 (8) an examination of the potential adverse impacts of annual safety and
12 emissions inspections on Vermonters with lower-income and potential
13 administrative and legislative options to mitigate those impacts while ensuring
14 vehicle safety and air quality; and

15 (9) any recommendations for legislative action.

16 (c) The Commissioner of Motor vehicles shall establish an email address or
17 other electronic means for Vermonters to contact the Department of Motor
18 Vehicles regarding concerns with the motor vehicle purchase and use tax
19 process. The Commissioner shall conduct outreach at Department locations,
20 on the Department's website, and through motor vehicle dealers to make the

- 1 public aware of the opportunity to contact the Department regarding concerns
- 2 with the motor vehicle purchase and use tax process.