

MOTOR VEHICLE EXCISE (MVE) FAQs

MVE Assessment FAQs
Published in [City & Town – March 6, 2014](#)

1. Do owners pay a tax for their motor vehicles each year?

Yes. Owners of motor vehicles are assessed a motor vehicle excise or personal property tax each year. At one time, owners of motor vehicles were assessed a personal property tax by their city or town. Most vehicles are registered, however, so in 1928, [G.L. c. 60A](#) was enacted and imposed a local excise in lieu of a personal property tax. An excise is a tax upon an event or privilege. In this case, the motor vehicle excise is imposed for the privilege of registration. It is not assessed for the use of the roads and monies collected from the excise are general fund revenues available to support municipal operations.

The motor vehicle excise is assessed on a calendar year basis. Registration of a vehicle during an excise calendar year automatically triggers assessment of an excise for that year. Therefore, an owner whose vehicle is registered on the January 1 of the calendar year, or at any time during that year, is subject to an excise. If the vehicle is unregistered on January 1, the owner is subject to personal property tax unless the vehicle is registered during the year. [G.L. c. 59, § 5\(35\)](#).

2. What governmental entity assesses the motor vehicle excise?

The excise is assessed to the registered owner of the vehicle by the city or town where the vehicle is customarily kept, as shown on the owner's application for registration to the Registry of Motor Vehicles (Form RMV-1). As a general rule, a vehicle is customarily kept in the city or town where the owner resides or has a principal place of business. If a vehicle is customarily garaged outside Massachusetts, the Commonwealth assesses the excise. [G.L. c. 60A, § 2](#).

3. How is the motor vehicle excise calculated?

The owner's motor vehicle excise is \$25 per \$1000 of excise value for the calendar year. The excise value for the year is calculated by applying the percentage fixed by [G.L. c. 60A, § 1](#) to the manufacturer's list price for vehicles of the same make, type, model, and year of manufacture. The percentage declines over several years until it reaches 10% of that list price in the fifth year after manufacture and all succeeding years for the life of the vehicle. The statutory percentages are:

<u>Excise Assessed for</u>	<u>Percentage</u>
Year before model year	50%
Model year	90%
Second year	60%
Third year	40%
Fourth year	25%
Fifth and following years	10%

4. Can the excise value be adjusted based on the condition or purchase price of a vehicle?

No. The excise is not an ad valorem or sales tax and therefore, it is not based on the current fair market value or purchase price of the particular vehicle. Instead, the values of vehicles for excise purposes are determined exclusively through the statutory formula under [G.L. c. 60A, § 1](#). Under that formula, all vehicles in the same classification (make, type, model, age) are valued the same based on the manufacturer's list price, which results in all owners of the same vehicle paying the same excise each year. A taxpayer does not have a right to an individual determination of value based on the current condition or actual purchase price of the vehicle. [Lily Transportation Corporation v. Board of Assessors of Medford](#), 427 Mass. 228 (1998).

5. Is there a minimum excise?

Yes. A motor vehicle excise must be at least \$5. [G.L. c. 60A, § 1](#). If the computed excise results in an excise less than \$5, the excise is \$5.

MVE Collection FAQs
Published in [City & Town – April 3, 2014](#)
Examples updated May 2016

6. When is a motor vehicle excise bill due?

A motor vehicle excise is due 30 days from its issue. [G.L. c. 60A, § 2](#). Payment must be received by the tax collector, not just mailed (postmarked), on or before the due date.

7. What remedies does a tax collector have to collect a delinquent motor vehicle excise?

A tax collector may collect the excise by placing (“marking”) the delinquent taxpayer’s vehicle registration and operating license in non-renewal status at the Registry of Motor Vehicles (RMV). [G.L. c. 60A, § 2A](#). That is the most often used remedy, but it is not the only one that may be used. A collector may also use any of the remedies available to collect a personal property tax. See [G.L. c. 60A, § 3](#). Those would include bringing a lawsuit against the delinquent taxpayer, [G.L. c. 60, § 35](#), and withholding the amount outstanding from any amount payable by the city or town to the taxpayer (“set-off”), [G.L. c. 60, § 93](#). The taxpayer could also have a permit or license denied, revoked, suspended or not-renewed by a board, department or officer of the community if the community has accepted [G.L. c. 40, § 57](#) and adopted an implementation bylaw or ordinance.

8. What are the steps to be followed to mark a delinquent taxpayer's registration and operator's license in non-renewal status at the RMV?

These are the steps followed before marking a delinquent taxpayer's registration and operator's license in non-renewal status at the RMV under [G.L. c. 60A, § 2A](#):

- A) The tax collector must send a demand for payment of the motor vehicle excise to the taxpayer. The earliest a demand may be sent is two days after the excise due date.

For example, motor vehicle excise bills are mailed on March 1, 2016 and are due 30 days later on March 31, 2016. A demand may be mailed on or after April 2, 2016.

- B) The tax collector must wait at least 14 days after the demand is mailed (Step 1) to see if payment in full is made. If the excise is still unpaid after that time period, the collector issues a warrant to collect the excise to a deputy collector, assistant collector or other officer bonded to collect locally assessed taxes. The warrant authorizes the officer to collect the excise from the taxpayer.
- C) The taxpayer is sent a notice that the tax collector has issued the warrant to collect the excise to the officer.
- D) The officer must wait at least 30 days after the mailing of the notice of issuance of a warrant to collect the excise (Step 3). If the excise is still unpaid after that time period, the warrant to collect must be served on the delinquent taxpayer by:
- a) In person presentation of the warrant to the taxpayer, or the taxpayer's representative, or
 - b) Hand delivery of a copy of the warrant to the taxpayer's usual and last known residence, or the taxpayer's place of business.
- E) The delinquent taxpayer's registration and operator's license may be marked at the RMV any time after the warrant to collect is served (Step 4). Current RMV policy requires marking within two years of the date the original excise bill was mailed. ([G.L. c. 60A, § 2A](#) permits marking up to six years from the billing.)

The mark remains until the excise is paid (or abated).

9. Is the collector still responsible for collection of a motor vehicle excise after issuing a warrant to collect to a deputy collector or other officer?

Yes. Deputy collectors are appointed by the tax collector to act as his or her agent in collecting local taxes. The warrant authorizes the deputy collector or other officer to collect the particular excise from the assessed taxpayer, but the collector remains obligated to collect all excises committed to him or her. The collector is also responsible for ensuring that any officer issued a warrant (1) uses proper collection procedures, i.e., only those consistent with state law and local policies, and (2) provides acceptable customer service to excise taxpayers, including properly answering their questions.

10. What additional amounts are added to a motor vehicle excise that is not paid on or before its due date?

By law, the following amounts are added to an overdue excise:

- 1) Interest - 12% per year from due date to payment date. [G.L. c. 60, § 15\(1\)](#); [G.L. c. 60A, § 2](#).
- 2) Collection costs for these actions:
 - Sending the taxpayer a demand for payment of the excise –Set locally at amount up to \$30. [G.L. c. 60, § 15\(2\)](#).
 - Issuing a warrant to collect the excise to a deputy collector, assistant collector or other officer - \$10. [G.L. c. 60, § 15\(9\)](#).
 - Sending the taxpayer a notice that a warrant to collect the excise has been issued to a deputy collector, assistant collector or other officer - \$12. [G.L. c. 60, § 15\(10\)](#).
 - Serving the taxpayer with the warrant to collect the excise - \$17. [G.L. c. 60, § 15\(11\)](#).
 - “Marking” the taxpayer’s vehicle registration and operator’s license for non-renewal at the RMV - \$20. [G.L. c. 60A, § 2A](#).

11. May a tax collector waive interest and collection costs on a delinquent motor vehicle excise bill?

If the total amount of interest and collection costs added to an overdue motor vehicle excise by law is \$15 or less, a tax collector may but is not required to waive any or all accrued interest and costs. [G.L. c. 60, § 15](#). Once the total interest and costs owed exceed \$15, however, the collector cannot waive any interest or costs for any reason.

12. Does a tax collector have to accept a partial payment of a motor vehicle excise bill?

No. Acceptance of partial payments for motor vehicle excises is solely at the collector’s discretion. A taxpayer does not have a statutory right to make a partial payment of an excise, unlike a property tax or betterment under [G.L. c. 60, §§ 22, 62](#) and [62A](#).

13. If a partial payment is accepted for a particular motor vehicle excise bill, can the taxpayer direct that it be applied to the excise first?

No. The taxpayer cannot direct the application of a partial payment. [G.L. c. 60, § 3E](#). Any partial payment received must be applied in this order:

- 1) Interest added to the motor vehicle excise by law as of the payment date.
- 2) Collection costs added to the excise by law as of the payment date.
- 3) Outstanding excise.

If the collector waives interest and costs because they total \$15 or less, the payment is applied to the excise.

14. Is there a statute of limitations for motor vehicle excise bills?

No. There is no time limit on the validity of a locally assessed motor vehicle excise. A taxpayer is personally liable for the excise and that liability remains until satisfied.

However, there are time limits on the use of some of the collection remedies available to the collector to enforce the excise. For example, notices of non-renewal of the taxpayer's license and registration must be submitted to the RMV within two years of the mailing of the original excise bill under RMV rules implementing [G.L. c. 60A, § 2A](#). A lawsuit must be brought within six years of the date the excise is due and payable. [G.L. c. 60, § 35](#); [G.L. c. 260, § 2](#); see [Boston v. Gordon](#), 342 Mass. 586 (1961), at 590. No statute of limitations applies to the set-off remedy under [G.L. c. 60, § 93](#) or the local option license/permit non-renewal, denial, revocation or suspension remedy under [G.L. c. 40, § 57](#).

MVE Abatement FAQs
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Examples updated May 2016

15. For what reasons may a taxpayer receive an abatement of a motor vehicle excise?

A taxpayer who documents that one of the following situations applies is eligible for abatement of a motor vehicle excise. [G.L. c. 60A, § 1](#).

- A) **Overvalued vehicle** – The excise was based on more than the percentage of the manufacturer's list price of the vehicle that applies for the excise year under the schedule established by [G.L. c. 60A, § 1](#). In that case, the assessors should abate the excise to the correct amount and notify the Registry of Motor Vehicles (RMV) of the correction in order to prevent incorrect excises from being assessed in future years.

For example, the 2015 motor vehicle excise assessed on a 2016 model year vehicle was based on 90% of the manufacturer's list price, instead of the 50% established in the statutory schedule for an excise assessed in the year preceding the year of manufacture. The taxpayer is entitled to an abatement of the difference.

Taxpayers do not have a right to abatements due to individual determinations of value based on the actual purchase prices or the current conditions of their vehicles. The excise is not based on the actual purchase price or "book value" of the vehicle. In [Lily Transportation Co. v. Board of Assessors of Medford](#), 427 Mass. 228 (1998), the Supreme Judicial Court rejected the taxpayer's claim that the excise be abated to reflect the purchase price of the vehicle. According to the Court, the intent of the statute is to value collectively all vehicles in the same classification based on the manufacturer's list price, not to value individually each vehicle.

- B) Moved from billing city or town –The taxpayer (1) moved to another city or town within Massachusetts before January 1 of the excise calendar year and (2) notified the RMV of the taxpayer's change of address and vehicle's place of garaging by January 1 of the excise calendar year, or within 30 days of the move if later.

In this case, the assessors must abate the entire excise and within 60 days of the abatement, notify the assessors of the city or town where the excise should have been assessed and committed. See Section B-2 of [Informational Guideline Release \(IGR\) 04-209, Motor Vehicle and Boat Excise Abatements](#). The assessors of that city or town must then recommit the excise to the collector so that the taxpayer is billed for the year.

Taxpayers do not have a right to abatements if they move to another Massachusetts city or town during the same calendar year as the excise.

- C) Moved outside Massachusetts – During the same calendar year as the excise, the taxpayer (1) moved to another state or country (2) registered the vehicle there and (3) canceled or did not renew the Massachusetts registration.

Assessors may treat registration in the new state or country as a cancellation of the Massachusetts registration, particularly where the new state or country requires the Massachusetts plates to be surrendered as a condition of registration. In that case, the assessors should abate any excise assessed for a subsequent year as well. If, however, the Massachusetts registration continues into another calendar year, the assessors should have the taxpayer cancel the registration first in order to prevent any further excises from being assessed.

- D) Stolen vehicle – The vehicle was stolen and the taxpayer (1) reported the theft to the local police within 48 hours of discovering it and (2) canceled the vehicle registration and obtained a certificate from the RMV at least 30 days after the theft.
- E) Transferred ownership - During the same calendar year as the excise, (1) title to the vehicle was transferred due to sale, trade, gift, repossession, Lemon Law return, insurance settlement or other disposition and (2) registration of the vehicle was canceled or transferred to another vehicle.

Taxpayers do not have a right to abatements if they retain ownership of their vehicles after canceling or transferring the registrations.

- F) Re-registered vehicle – During the same calendar year as the excise, the same taxpayer (1) canceled the vehicle registration, (2) retained ownership of the vehicle and (3) re-registered the vehicle later in the year. The taxpayer is eligible for abatement of the entire excise assessed upon the re-registration of the vehicle.

16. How is the abatement amount determined?

Abatements granted to taxpayers who have (1) moved out of Massachusetts or (2) had their vehicles stolen are based on the number of months remaining in the calendar year after the month the last eligibility requirement for the abatement takes place.

For example, in July, a taxpayer moves to another state and in August, registers the vehicle there and cancels the Massachusetts registration. An abatement is granted for the months of September through December, i.e., 4/12th of the excise assessed for the year.

Abatements granted to taxpayers who have transferred ownership of their vehicles are also based on the number of months remaining in the calendar year after the month the last eligibility requirement for the abatement takes place, except where the taxpayer transfers both the ownership and registration in the same month. In that case, the abatement is for the month of the transfer and the months remaining in the calendar year.

For example, a taxpayer sells a motor vehicle in July and cancels the registration on that vehicle in that same month. An abatement is granted for the months of August through December, i.e., 5/12th of the excise assessed for the year. If instead of canceling the registration, however, the taxpayer had transferred it to another vehicle, the abatement is granted for the months of July through December, i.e., 6/12th of the excise assessed for the year.

[G.L. c. 60A, § 1.](#)

17. Is there a minimum abatement?

Assessors may not grant an abatement that is less than \$5 or results in a motor vehicle excise of less than \$5, unless the entire excise is abated. [G.L. c. 60A, § 1.](#)

18. When is a motor vehicle excise abatement application due?

A motor vehicle excise abatement application is due within three years after the date the excise is due, or one year after the date the excise is paid, whichever is later. [G.L. c. 60A, § 2.](#)

For example, bills for 2016 motor vehicle excises are mailed on March 1, 2016 and are due 30 days later on March 31, 2016. Abatement applications for those excises are due March 31, 2019, or 1 year after the excise is paid if later. If the taxpayer pays the excise on or after April 1, 2018, the application would be due 1 year later. Otherwise, it is due March 31, 2019.

Filing an application does not stay the collection of the excise. To avoid interest and collection charges or action, the taxpayer should pay the excise in full on or before the due date.

19. May the assessors grant an abatement if the taxpayer does not timely apply for an abatement?

The assessors may grant abatements where an application is not timely filed, but only if the excise is still outstanding. [G.L. c. 60A, § 8](#); Section B of [IGR 04-209, Motor Vehicle and Boat Excise Abatements](#). Any action on a late filed application is solely within the discretion of the assessors, however, and cannot be appealed to any local or state board, agency or official. If the assessors decline to exercise their discretion, the taxpayer's recourse is to pay the excise in full and apply for abatement by right within one year of the payment date.

20. How long do the assessors have to act on a timely filed motor vehicle excise abatement application?

Assessors have three months from the date they receive an abatement application to grant or deny an abatement. The three month action period can be extended by written consent of the taxpayer. The application is deemed denied if the assessors do not act within the three month, or extended, action period. [G.L. c. 60A, § 2](#); [G.L. c. 59, §§ 64 and 65](#).

21. May a taxpayer appeal the assessors' action on a timely filed motor vehicle excise abatement application?

Yes. A taxpayer aggrieved by the assessors' action or failure to act on an abatement application may appeal to the county commissioners or the state Appellate Tax Board (ATB). The appeal must be filed within three months of the date the assessors granted or denied the abatement, or the date the application was deemed denied if they did not act on it. [G.L. c. 60A, § 2](#); [G.L. c. 59, §§ 64 and 65](#).

22. Is a taxpayer entitled to interest on an abatement refund?

If the abatement is ordered by the county commissioners or ATB, the taxpayer is entitled to interest at 6% on the amount refunded from the date the excise was overpaid. [G.L. c. 60A, § 2](#). No interest is owed on refunds of paid excises when the abatement is granted by the assessors.

MVE Exemption FAQs

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Updated for subsequent changes in law and RMV policy

23. What individuals, organizations or other entities are exempt from motor vehicle excises for vehicles they own and register?

The following individuals, organizations or entities qualify for exemption from motor vehicle excise assessed on vehicles they own and register. [G.L. c. 60A, § 1](#).

- A) Governments –The United States, the Commonwealth of Massachusetts or any political subdivision of the Commonwealth is exempt from excise assessed on all vehicles it owns and registers.

- B) Charitable or Religious Organizations –A charitable or religious organization that qualifies for an exemption from personal property taxes under [G.L. c. 59, § 5, Clause 3](#) or [10](#) is exempt from the excise assessed on all vehicles it owns and registers.
- C) Disabled or Blind Veterans – A veteran is exempt from the excise assessed on one vehicle the veteran owns and registers for personal, non-business use if:
- 1) The veteran was honorably discharged from peacetime or wartime military service.
 - 2) The Veterans Administration certifies that due to military service the veteran:
 - a) Has actually lost at least one foot or hand,
 - b) Has a permanent loss of use of at least one foot or hand, or
 - c) Has permanent impairment of vision meeting certain specifications in at least one eye.
- OR
- 3) The Medical Advisory Board within the Registry of Motor Vehicles (RMV) has determined that the veteran has a permanent service-connected disability. The MAB determination is evidenced by a (1) disabled veteran (DV) plate or (2) MAB letter notifying the veteran of its determination. See [Bulletin 2015-01B, Motor Vehicle Excise Exemptions for Veterans –Revised Registry of Motor Vehicle Procedure](#).

A veteran who qualifies and owns more than one vehicle may have the exemption applied to the vehicle of choice. A full exemption is granted even if the veteran is not the sole owner of the vehicle, e.g., co-owns it with his or her spouse. The surviving spouse of the veteran does not qualify for an exemption.

- D) Prisoners of War and their Surviving Spouses – A veteran who was a prisoner of war, or the veteran’s surviving spouse, is exempt from the excise for one vehicle the veteran or surviving spouse owns and registers for personal, non-business use if:
- 1) The city or town has accepted this local option exemption. Acceptance is by vote of the legislative body subject to local charter. The exemption takes effect the January 1 after the calendar year the acceptance is voted.
 - 2) The Veterans Administration, or the veteran’s discharge, documents that the veteran was held as a prisoner of war.

A veteran who was a prisoner of war and owns more than one vehicle may have the exemption applied to the vehicle of choice. A full exemption is granted even if the veteran is not the sole owner of the vehicle, e.g., co-owns it with his or her spouse. If the surviving spouse remarries, the exemption terminates.

- E) Massachusetts Servicemembers – A member of the military whose domicile is in Massachusetts is exempt from the excise assessed on one vehicle the servicemember owns and registers for personal, non-business use if:
- 1) The city or town has accepted this local option exemption. Acceptance is by vote of the legislative body subject to local charter. The exemption takes effect the January 1 after the calendar year the acceptance is voted.

- 2) The servicemember is on active military duty outside the continental United States for at least 45 days of the excise calendar year. If the service person is wounded or killed in an armed conflict, the 45 day limitation does not apply.

A servicemember who qualifies and owns more than one vehicle may have the exemption applied to the vehicle of choice. A full exemption is granted even if the servicemember is not the sole owner of the vehicle, e.g., co-owns it with his or her spouse. The surviving spouse of the servicemember does not qualify for an exemption.

If this option is accepted, the charge added by the collector to a delinquent excise when a warrant to collect is issued to a deputy collector is increased by \$3.

- F) **Disabled or Blind Persons** – A person, who is not a veteran, is exempt from the excise assessed on *one* vehicle the individual owns and registers for personal, non-business use if the person:
- 1) Has actually lost both legs or both arms,
 - 2) Has a permanent loss of use of both legs or both arms, or
 - 3) Has permanent impairment of vision meeting certain specifications in both eyes.

A disabled or blind non-veteran who qualifies and owns more than one vehicle may have the exemption applied to the vehicle of choice. A full exemption is granted even if the person is not the sole owner of the vehicle, e.g., co-owns it with his or her spouse. The surviving spouse of the person does not qualify for an exemption.

Under federal law, the Servicemembers Civil Relief Act. 50 U.S.C. App. 571, the following servicemembers and their spouses are not subject to a motor vehicle excise for any of the vehicles they own so long as they are not used for a business or trade:

- 1) A servicemember whose domicile is in a state other than Massachusetts and is stationed in Massachusetts or elsewhere due to military orders, as documented by the servicemember's commanding officer.
- 2) The spouse of a servicemember domiciled in a state other than Massachusetts if the spouse is domiciled in the same state as the servicemember and the spouse is in Massachusetts solely to reside with the servicemember, as documented by the servicemember's commanding officer.

24. May any individuals, organizations or other entities that qualify for excise exemptions on the vehicles they own and register under [G.L. c. 60A, § 1](#) obtain an exemption of the excise assessed on vehicles they lease?

Yes, all of the individuals exempt under state law from the motor vehicle excise on one vehicle they own and register for personal, non-business use may qualify for exemption on one vehicle they lease for that purpose instead. The excise is generally assessed to the owner-lessor, not the lessee, with the expenses passed on to the lessee by the terms of the lease. See [IGR 15-211, Motor Vehicle Excise Exemptions for Persons Who Lease Vehicles](#).

However, the only organizations or entities exempt under state law from the excise for vehicles they own and register that also qualify for exemption on vehicles they lease are charitable organizations that are not degree granting or diploma awarding educational institutions. However, this exemption only applies for vehicles leased for the full calendar year of the excise.

For example, a charitable hospital leases a motor vehicle beginning on July 1, 2016 and ending on June 30, 2019. The calendar year 2017 and 2018 excises assessed on the leased vehicle are exempt.

No other organization or entity is entitled to exemption of excises assessed on vehicles they lease.

[G.L. c. 60A, § 1.](#)

25. May anyone other than the individual who qualifies for a motor vehicle excise exemption file the application?

Individuals who qualify for exemptions from the motor vehicle excise for vehicles they own or lease, and the following persons acting on their behalf, may apply to the assessors:

- 1) A qualifying individual's spouse if the vehicle is jointly owned and registered or leased in the names of the individual and spouse.
- 2) A qualifying individual's surviving spouse, executor under a will, or administrator of the estate if the individual did not apply while alive.

[G.L. c. 60A, § 1.](#)

26. When is a motor vehicle excise exemption application due? May the assessors grant an exemption if the taxpayer does not timely apply?

As with motor vehicle abatement applications, the exemption application is due within three years after the date the excise is due, or one year after the date the excise is paid, whichever is later. [G.L. c. 60A, § 2.](#)

For example, bills for 2016 motor vehicle excises are mailed on March 1, 2016 and are due 30 days later on March 31, 2016. Exemption applications for those excises are due March 31, 2019, or 1 year after the excise is paid if later. If the taxpayer pays the excise on or after April 1, 2018, the application would be due 1 year later. Otherwise, it is due March 31, 2019.

Filing an application does not stay the collection of the excise. To avoid interest and collection charges or action, the taxpayer should pay the excise in full on or before the due date.

The assessors may grant exemptions where an application is not timely filed, but only if the excise is still outstanding. [G.L. c. 60A, § 8](#); Section B of [IGR 04-209, Motor Vehicle and Boat Excise Abatements](#). Any action on a late filed application is solely within the discretion of the assessors, however, and cannot be appealed to any local or state board, agency or official. If the assessors decline to exercise their discretion, the taxpayer's recourse is to pay the excise in full and apply for the exemption by right within one year of the payment date.

27. May an individual who receives an exemption on a motor vehicle for an excise year and then buys or leases a new vehicle during the same year also receive an exemption on the new vehicle?

It depends on whether the taxpayer retains the first vehicle. See Section B-4 of [IGR 15-211, Motor Vehicle Excise Exemptions for Persons Who Lease Vehicles](#).

An individual may only receive an exemption from the annual excise assessed on one vehicle owned and registered or leased for personal, noncommercial use. [G.L. c. 60A, § 1](#). This means that a qualifying person is eligible for an excise exemption on only one vehicle at a time during the excise calendar year.

Therefore, a taxpayer granted an exemption for the excise assessed for a particular vehicle for an excise calendar year may not receive an exemption for an excise assessed for that same excise calendar year on another vehicle the taxpayer purchases or leases later in the year if the taxpayer continues to own or lease the first vehicle for the rest of the year.

However, a taxpayer granted an exemption for the excise assessed for a particular vehicle for an excise calendar year may receive an exemption for an excise assessed for that same excise calendar year on another vehicle the taxpayer purchases or leases later in the year if the taxpayer disposes of the vehicle or terminates the lease during the year. The assessors may grant an exemption on a second vehicle for the remainder of the excise calendar year as essentially a continuation of the annual exemption as follows:

- 1) If the taxpayer owned the exempted vehicle and purchases another vehicle, the taxpayer (a) must transfer title to the exempted vehicle; and (b) transfer the registration on the exempted vehicle to the second vehicle or cancel the registration on the exempted vehicle and obtain a new registration on the second vehicle.
- 2) If the taxpayer owned the exempted vehicle and leases another vehicle, the taxpayer (a) must transfer title to the exempted vehicle; and (b) cancel the registration on the exempted vehicle.
- 3) If the taxpayer leased the exempted vehicle and leases another vehicle at the end of the lease period or otherwise, the lease on the exempted vehicle must be up or terminated.