

H.B. 56: Vehicle Registration Amendments

Summary:

This bill allows an individual to cancel their registration online and receive a pro-rated refund for unused, whole months of registration fees and uniform fees, with a minimum refund of \$40.

The DMV is allowed to retain \$5 from the refund amount for mailing and administrative costs.

Asks for Data reporting of actual amounts and refunds given to interim committee.

Example: Jane's motor vehicle registration begins January 1. On February 3, she sells her car. Jane can request a refund for the unused months of registration remaining on her vehicle, in this case, from March 1 to December 31.

While anyone can go online and cancel their vehicle registration, this bill does not make any changes to the requirement to register your vehicle. Operating a vehicle without valid registration is an infraction under current law. Additionally, this bill implements a \$100 penalty for operating a vehicle without valid registration after cancellation.

Key Points:

This bill only applies to standard passenger vehicles under 14,000 pounds. This bill does not apply to other types of vehicles including, off-highway vehicles, motorcycles, or heavy-duty vehicles.

- Registering a vehicle in Utah includes 1) Vehicle Registration Fees, 2) Uniform Fee in Lieu of Property Tax, and 3) Other Fees.
- The Utah Constitution requires property tax on all tangible personal property, including motor vehicles registered and operated in the state.
- The State Tax Commission collects a uniform fee in lieu of property tax ("uniform fee") on motor vehicles. For vehicles under 14,000 pounds, the uniform fee is assessed using the age of the vehicle as a proxy for value.

