**South Carolina General Assembly**

124th Session, 2021-2022

**S. 442**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Grooms

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Companion/Similar bill(s): 34, 3689

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Currently residing in the Senate Committee on **Transportation**

Summary: Road use fees

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/12/2021 Senate Introduced and read first time ([Senate Journal‑page 313](file:///h:\sj\20210112.docx))

1/12/2021 Senate Referred to Committee on **Transportation** ([Senate Journal‑page 313](file:///h:\sj\20210112.docx))

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=442&session=124&summary=B) at the website

**VERSIONS OF THIS BILL**

[1/12/2021](file:///p:\pprever\2021-22\442_20210112.docx)

**A** **BILL**

TO AMEND SECTION 56-3-376(A)(1) OF THE 1976 CODE, RELATING TO THE ESTABLISHMENT OF A SYSTEM OF REGISTRATION OF MOTOR VEHICLES ON A MONTHLY BASIS, TO PROVIDE WEIGHT LIMITATIONS FOR VEHICLES FOR WHICH THE BIENNIAL REGISTRATION FEE IS ONE-HUNDRED SIXTY DOLLARS OR MORE; TO AMEND SECTION 56-3-660(E) OF THE 1976 CODE, RELATING TO THE REGISTRATION OF LARGE COMMERCIAL MOTOR VEHICLES, TO ALLOW INSTALLMENT PAYMENTS TO BE MADE; TO AMEND SECTION 56-3-190 OF THE 1976 CODE, RELATING TO VEHICLES THAT THE DEPARTMENT OF MOTOR VEHICLES MAY REGISTER, TO ALLOW THE DEPARTMENT OF MOTOR VEHICLES TO REGISTER CERTAIN COMMERCIAL MOTOR VEHICLES; TO AMEND SECTION 56-3-195(A) OF THE 1976 CODE, RELATING TO COUNTIES PROCESSING VEHICLE REGISTRATION AND LICENSING, TO PROVIDE THAT THE OWNER OF A LARGE COMMERCIAL MOTOR VEHICLE MUST ESTABLISH AN ACCOUNT AND REMIT PAYMENT OF FEES TO THE DEPARTMENT OF MOTOR VEHICLES; TO AMEND SECTION 12-37-2650 OF THE 1976 CODE, RELATING TO THE ISSUANCE OF TAX NOTICES AND PAID RECEIPTS AND TO THE DELEGATION OF TAX COLLECTION, TO PROVIDE THAT THE COUNTY SHALL PREPARE A TAX NOTICE OF CERTAIN VEHICLES THAT ARE OWNED BY THE SAME PERSON AND LICENSED AT THE SAME TIME FOR EACH TAX YEAR WITHIN A TWO-YEAR LICENSING PERIOD; TO AMEND SECTION 12-37-2840 OF THE 1976 CODE, RELATING TO ROAD USE FEES DUE AT THE SAME TIME AS REGISTRATION FEES, TO PROVIDE THAT A MOTOR CARRIER REGISTERING A LARGE COMMERCIAL MOTOR VEHICLE OR BUS MUST PAY THE ROAD USE FEE DUE ON THE VEHICLE TO THE DEPARTMENT OF MOTOR VEHICLES AND TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES MUST MAKE INSTALLMENT PAYMENTS AVAILABLE TO A CUSTOMER UPON THE CUSTOMER’S REQUEST; TO AMEND SECTION 12-37-2850 OF THE 1976 CODE, RELATING TO THE ASSESSMENT OF ROAD USE FEES, TO DELETE AN OBSOLETE PROVISION; TO AMEND SECTION 12-37-2860(F) OF THE 1976 CODE, RELATING TO PROPERTY TAX EXEMPTIONS AND ONE-TIME FEES, TO PROVIDE THAT FEES MAY BE PAID IN INSTALLMENTS; TO AMEND SECTION 12-37-2880 OF THE 1976 CODE, RELATING TO THE FAIR MARKET VALUE OF LARGE COMMERCIAL MOTOR VEHICLES SUBJECT TO A ROAD USE FEE AND TO CERTAIN VEHICLES AND BUSES EXEMPT FROM CERTAIN TAXES, TO REMOVE REFERENCES TO THE INTERNATIONAL REGISTRATION PLAN; AND TO DEFINE NECESSARY TERMS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 56-3-376(A)(1) of the 1976 Code is amended to read:

“(1) Classification (1). Vehicles for which the biennial registration fee is one‑hundred sixty dollars or more. The Department of Motor Vehicles may register and license a vehicle for which the biennial registration fee is one‑hundred sixty dollars or more or for a semiannual or one‑half year upon application to the department by the owner and the payment of one‑fourth of the specified biennial fee. Biennial registrations and licenses expire at midnight on the last day of the twenty‑fourth month for the period for which they were issued. Semiannual or half‑year registrations and licenses expire at midnight of the sixth month for the period for which they were issued and no person shall drive, move, or operate a vehicle upon a highway after the expiration of the registration and license until the vehicle is registered and licensed for the then current period. Trucks, truck tractors, or road tractors with an empty or unloaded weight of ~~over~~ five thousand pounds or less, or gross vehicle weight of eight thousand pounds or less also must be placed in this classification but may not be registered for less than a full biennial period.”

SECTION 2. Section 56-3-660(E) of the 1976 Code is amended to read:

“(E) The department may register a large commercial motor vehicle, as defined in Section 12‑37‑2810, for ~~the payment of one‑half of this state's portion of the license and road fee for a vehicle whose portion of the license and road fee owed to this State exceeds four hundred dollars~~ installment payments pursuant to Section 12-37-2840. The department may require any information necessary to complete the transaction.”

SECTION 3. Sections 56-3-190 and 56-3-195(A) of the 1976 Code are amended to read:

“Section 56-3-190. (A) The Department of Motor Vehicles may register and license vehicles as required by this chapter upon application being made therefor by the owner and the required fees paid as provided in this chapter.

(B) For commercial motor vehicles registered through the international registration plan, a person other than the vehicle’s legal owner may register the commercial motor vehicle with the Department of Motor Vehicles if the vehicle is operated under a United States Department of Transportation number assigned to the person registering the vehicle.

Section 56-3-195. (A) ~~Beginning on July 1, 1994, each~~ Each county shall mail motor vehicle registration and licensing renewal notices to the owners of vehicles in the county as determined by the Department of Motor Vehicles no later than forty‑five days before expiration of the registration. The renewal notices, including the fees upon completion, may be returned to that county which shall transmit the renewal notices to the department for processing and which shall transmit the fees to the appropriate state fund as provided by law within seven days of receipt. The owner of a large commercial motor vehicle, as defined in Section 12-37-2810(C), must establish an account with the Department of Motor Vehicles and must remit payment for all fees associated with registration and licensing renewal directly to the Department of Motor Vehicles.”

SECTION 4. Section 12-37-2650 of the 1976 Code is amended to read:

“Section 12-37-2650. (A) Each county ~~The~~ auditor shall prepare a tax notice of all vehicles, except for vehicles described in Article 23, Chapter 37, Title 12, owned by the same person and licensed at the same time for each tax year within the two‑year licensing period. A notice must describe the motor vehicle by name, model, and identification number. The notice must set forth the assessed value of the vehicle, the millage, the taxes due on each vehicle, and the license period or tax year. The notice must be delivered to the county treasurer who must collect or receive payment of the taxes. One copy of the notice must be in the form of a bill or statement for the taxes due on the motor vehicle and, when practical, the treasurer shall mail that copy to the owner or person having control of the vehicle. When the tax and all other charges included on the tax bill have been paid, the treasurer shall issue the taxpayer a paid receipt. The receipt or a copy may be delivered by the taxpayer to the Department of Motor Vehicles with the application for the motor vehicle registration. A record of the payment of the tax must be retained by the treasurer. The auditor shall maintain a separate duplicate for motor vehicles. A registration may not be issued by the Department of Motor Vehicles unless the application is accompanied by the receipt, a copy of the notification required by Section 12‑37‑2610 or notice from the county treasurer, by other means satisfactory to the Department of Motor Vehicles, of payment of the tax. Large commercial motor vehicles and buses, as defined in Section 12‑37‑2810, must pay road use fees pursuant to Article 23, Chapter 37, Title 12 in lieu of ad valorem property taxes. The treasurer, tax collector, or other official charged with the collection of ad valorem property taxes in each county may delegate the collection of motor vehicle taxes to banks or banking institutions, if each institution assigns, hypothecates, or pledges to the county, as security for the collection, federal funds or federal, state, or municipal securities in an amount adequate to prevent any loss to the county from any cause. Each institution shall remit the taxes collected daily to the county official charged with the collections. The receipt given to the taxpayer, in addition to the information required in this section and by Section 12‑45‑70, must contain the name and office of the treasurer or tax collector of the county and must also show the name of the banking institution to which payment was made.

(B) The county official charged with the collection of taxes shall send a list of the institutions collecting the taxes to the Department of Motor Vehicles. Each institution shall certify to the Department of Motor Vehicles that the taxes have been paid, and the Department of Motor Vehicles is authorized to accept certification in lieu of the tax receipt given to the taxpayer if certification contains information required by this section.

(C) Tax bills (notices) for county assessed personal property valued in accordance with applicable Department of Revenue regulations must include notification of the taxpayer's appeal rights, to include a minimum amount of information of how the taxpayer should file his appeal, to whom, and within what time period.”

SECTION 5. Section 12-37-2810(A) of the 1976 Code is amended to read:

“Section 12-37-2810. (A) ‘Motor carrier’ means a person who owns, controls, operates, manages, or leases a commercial motor vehicle, or bus for the transportation of property or persons in intrastate or interstate commerce except for scheduled intercity bus service and farm vehicles using FM tags as allowed by the Department of Motor Vehicles. ~~A motor carrier is defined further as being a South Carolina‑based International Registration Plan registrant or owning or leasing real property within this State used directly in the transportation of freight or persons.~~”

SECTION 6. Sections 12-37-2840 and 12-37-2850 of the 1976 Code are amended to read:

“Section 12-37-2840. ~~A~~ Notwithstanding another provision of law, a motor carrier registering a large commercial motor vehicle or bus must pay to the Department of Motor Vehicles the road use fee due on the vehicle at the time and in the manner the person pays the registration fees on the vehicle pursuant to Section 56‑3‑660. A person choosing to pay South Carolina registration fees on a large commercial motor vehicle or bus in ~~quarterly~~ installments pursuant to Section 56‑3‑660 also must pay the road use fee on the vehicle in the same ~~quarterly~~ installments. The Department of Motor Vehicles must make installment payments available to a customer upon the customer’s request.

Section 12-37-2850. ~~Beginning on January 1, 2019, the~~ The Department of Motor Vehicles shall assess annually the road use fee due on large commercial motor vehicles and buses based on the value determined in Section 12‑37‑2820 and an average millage for all purposes statewide for the preceding calendar year and shall publish the average millage for the preceding year by July first of each year. The Department of Revenue, in consultation with the Revenue and Fiscal Affairs Office, shall calculate the millage to be used to calculate the road use fee by June first of each year for the following calendar year. The road use fee assessed must be paid to the Department of Motor Vehicles, in addition to the registration fees required pursuant to Sections 56‑3‑660 and 56‑3‑670, at the time and in the manner that the registration fees on the vehicle are paid pursuant to Sections 56‑3‑660 and 56‑3‑670. Distribution of the fees paid must be made by the Office of the State Treasurer based on the distribution formula provided in Sections 12‑37‑2865 and 12‑37‑2870.”

SECTION 7. Section 12-37-2860(F) of the 1976 Code is amended to read:

“(F) If the ~~apportioned~~ South Carolina registration fees of a large commercial motor vehicle or bus and the road use fees for large commercial motor vehicles required under this chapter are equal to or exceed four hundred dollars, the fees may be remitted to the Department of Motor Vehicles ~~quarterly~~ in installments, provided that each installment is made online. A motor carrier who fails to make ~~a quarterly~~ an installment payment on a timely basis may no longer make installment payments and must remit to the department the balance of the fees owed for any previous calendar year before the Department of Motor Vehicles will renew registration for the current calendar year. A motor carrier that opts out of installment payments must make full payment of fees at the time of registration.”

SECTION 8. Section 12-37-2880 of the 1976 Code is amended to read:

“Section 12-37-2880. (A) In addition to the property tax exemptions allowed pursuant to Section 12‑37‑220, one hundred percent of the fair market value of all large commercial motor vehicles and buses registered for use in this State ~~under the International Registration Plan or otherwise pursuant to Section 56‑3‑190,~~ is exempt from property tax and is instead subject to the road use fee imposed pursuant to this article.

(B) The road use fee imposed by this article is in lieu of all ad valorem taxes upon large commercial motor vehicles or buses, and any road use or other vehicle‑related fees imposed by a political subdivision of this State ~~if registered for use in this State under the International Registration Plan~~.”

SECTION 9. This act takes effect upon approval by the Governor.

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