

### **Proposed Changes to Vehicle Tax Reform (HB 80)**

- Values new and used vehicles for Title Ad Valorem Tax (TAVT) purposes at their retail sale price or the value listed in the Department of Revenue (DOR) motor vehicle ad valorem assessment manual (the average between the wholesale and retail price) whichever is greater
- Allows the TAVT rate to be reduced down to not less than 6% if revenues exceed the local and state target collection amounts
- Authorizes DOR to collect the TAVT for electronic title transactions and remit the revenues back to the county tax commissioner
- Excludes commercial trucks titled and registered under the International Registration Plan (IRP) from the TAVT (these trucks will continue to pay annual ad valorem tax)
- Extends the time a dealer has to remit the TAVT to the county tax commissioner from 10 days to 30 days after the date of sale, and changes the late penalty from an amount equal to 5 percent of the tax due to a flat rate of \$25 after 30 days, an additional \$50 after 60 days and an additional \$100 for every additional 30 days
- Beginning March 1, 2014 registered “Buy Here Pay Here” used car dealers will have the option to pay the TAVT in three installments over a two year period (initial payment of 20%, 30% after 6 months and the remainder after 24 months)
- Changes the late penalty for anyone required to register their vehicle in Georgia from 10% of the TAVT plus 1% a month interest to \$25 after 30 days from the required registration date, an additional \$50 after 60 days and an additional \$100 for every additional 30 days
- Extends the exemption for dealer loaner vehicles from six-months to one year
- Reduces the TAVT on leased vehicles to 4% and requires dealers that lease vehicles to register with the state