

This Document can be made available in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4081

03/07/2022

Authored by Kresha

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy

1.1 A bill for an act
1.2 relating to transportation; establishing a temporary moratorium on imposition of
1.3 the motor vehicle registration tax; making transfers; appropriating money.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **MOTOR VEHICLE REGISTRATION TAX MORATORIUM.**

1.6 Subdivision 1. New purchases. For all new and used vehicles first registered in the state
1.7 on or after July 1, 2022, and on or before June 30, 2024, the vehicle registration tax imposed
1.8 under Minnesota Statutes, section 168.013, is waived for a 24-month period.

1.9 Subd. 2. Registration renewals. (a) For all motor vehicle registration renewals due on
1.10 or after July 1, 2022, and on or before June 30, 2024, the vehicle registration is extended
1.11 for 24 additional months and the vehicle registration tax imposed under Minnesota Statutes,
1.12 section 168.013, is waived for a 24-month period.

1.13 (b) The commissioner of public safety must not issue replacement motor vehicle
1.14 registration validation stickers for the period that registration is extended under this
1.15 subdivision. The existing validation sticker must be retained on the motor vehicle and
1.16 remains valid for the period that registration is extended under this subdivision.

1.17 Subd. 3. Wheelage tax. For all motor vehicle registration on or after July 1, 2022, and
1.18 on or before June 30, 2024, a county wheelage tax imposed under Minnesota Statutes,
1.19 section 163.051, is waived for a 24-month period.

1.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.1 Sec. 2. **REGISTRATION TAX MORATORIUM; APPROPRIATIONS.**

2.2 Subdivision 1. Administrative costs. The amount necessary to implement the
2.3 requirements under section 1 is appropriated in fiscal year 2022 from the general fund to
2.4 the commissioner of public safety for the administrative costs of implementation. This is a
2.5 onetime appropriation and is available until June 30, 2024.

2.6 Subd. 2. Wheelage tax revenue. (a) An amount as provided in paragraph (b) is
2.7 appropriated in fiscal year 2023 from the general fund to the commissioner of public safety
2.8 for grants to counties to provide for lost revenue due to the motor vehicle registration tax
2.9 moratorium under section 1 that is related to wheelage taxes imposed under Minnesota
2.10 Statutes, section 163.051. A grant to a county under this paragraph must be in an amount
2.11 equal to the county's 2021 wheelage tax revenue. This is a onetime appropriation and is
2.12 available until June 30, 2024.

2.13 (b) The amount appropriated under paragraph (a) in each year equals the sum of the
2.14 2021 wheelage tax revenue received by counties from the commissioner of public safety
2.15 multiplied by two.

2.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.17 Sec. 3. **REGISTRATION TAX MORATORIUM; TRANSFERS.**

2.18 (a) An amount as provided in paragraph (b) is transferred in fiscal years 2023 and 2024
2.19 from the general fund to the commissioner of transportation for deposit in the highway user
2.20 tax distribution fund to provide for the revenue lost due to the motor vehicle registration
2.21 tax moratorium under section 1.

2.22 (b) The commissioner must determine the amount to transfer under paragraph (a) from
2.23 the most recent forecast of total state revenue from the motor vehicle registration tax for
2.24 that fiscal year, as estimated absent the requirements under section 1.

2.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.