



Texas Department of Transportation

VEHICLE TITLES AND REGISTRATION DIVISION • AUSTIN, TEXAS 78779-0001 • (512) 465-7611

August 23, 2001

Registration and Title Bulletin # 113-01

TO: All County Tax Assessor-Collectors

SUBJECT: Texas Emissions Reduction Plan (TERP), SB 0005, 77th Legislative Session.
Registration Emissions Surcharge of 10% for Commercial Vehicles and
Sales Tax Emissions Surcharge of 2.5% on Certain Diesel Vehicles.

PURPOSE

To provide information concerning amendments to the Tax Code §152.0215 and the Transportation Code §502.1675, §502.186, and §548.256 concerning the collection and reporting of fees relating to the Texas Emissions Reduction Plan (TERP) as provided by SB 0005, 77th Legislative Session.

This bulletin provides the temporary interim procedures to allow you to capture the information necessary for the September 1, 2001 effective date of this legislation. The provisions of this legislation expire September 30, 2008. Future bulletins will advise you of the registration and title system programming updates and registration and title manual revisions. Extensive programming is required to fully capture the provisions of SB 0005.

DETAILS

2.5% Sales Tax Emissions Surcharge for Diesel Vehicles with 14,001 pounds or more registered gross weight.

Tax Code §152.0215 adds a 2.5% sales tax surcharge for every on-road diesel vehicle, 14,001 pounds or more registered gross weight, of a model year 1996 or earlier, sold only in this state. This is in addition to the 6.25% sales tax. If a vehicle is purchased out-of-state and titled in Texas, the 2.5% sales tax emissions surcharge is not collected.

- Attachment A shows how to collect the 2.5% sales tax emissions surcharge on the 130-U. This form will be revised in the near future.
- Attachment B provides temporary procedures.

10% Registration Fee Emissions Surcharge

Transportation Code §502.1675 provides for collection of a 10% registration fee emissions surcharge on truck tractors and commercial motor vehicles that are subject to the combination fees according to Transportation Code §502.167. This includes Combination, NAFTA Annual Permits, Seasonal Agriculture, Apportioned, and Forestry registrations that are subject to the combination fees.

- Attachment C provides temporary procedures for the point-of-sale transactions.
- Attachment D provides temporary procedures for IRP Transmittals.

The comptroller will have procedures in place by September 1, 2001 to accommodate EFT accounts or check writing accounts for the collection of the 2.5% sales tax emissions and the 10% registration fee emissions surcharges.

Low Emissions Vehicle Insignia

Transportation Code §502.186 requires the department to issue a specially designed "low-emissions vehicle" insignia to vehicles that are qualified under light-duty motor vehicle purchases or lease incentives.

- The Texas Natural Resource Conservation Commission (TNRCC) will sponsor a contest by January 1, 2001 for public schools to participate in the design of this insignia.
- The insignia will be provided by the TNRCC to each county in the state not later than the 45th day after the date on which the winning design is selected and announced.
- The Vehicle Titles and Registration Division will design a form or affidavit to be completed by the owner of qualified vehicles for issuance of the insignia.
- There is no fee for the insignia.

Vehicle Inspection Certification Fee of \$225

Transportation Code §548.256 is amended to require the vehicle inspection stations to collect a fee of \$225.00 for each out-of-state Vehicle Identification Number (VIN) verification for the Texas Department of Public Safety (DPS). This fee will not apply to a vehicle owned by active duty military personnel, their dependents, spouses or children

- The DPS has designed a new form, VI-30, which is blue in color. The customer may present this form with other evidence for a title application.
- The green VI-30-A will continue to be used to verify VIN's as determined by the inspection station.
- The county will not be responsible to determine if the correct document accompanies the title application.
- Vehicles that are not subject to the inspection requirements of §548.256 are not affected. The forms VTR-270 or VTR-272-B, as appropriate, will continue to be used in these instances.

The DPS has advised they will not enforce the inspection requirements of SB 0005, relating to the \$225 fee, until their rules are adopted. If the rules are adopted according to schedule, the collection of this fee will go into effect November 1, 2001 when their rules are complete. This change is provided for your information and does not impact the registration and title system or any reports you must submit.

CONTACT(S)

If you have any questions concerning the collection of the sales tax emissions surcharge or the registration emissions surcharge, please contact the Comptroller of Public Accounts at 1-800-252-1382. You may access further comptroller information at www.cpa.state.tx.us.

August 23, 2001

If you need additional information, please contact your local VTR Regional Office. You may also contact the VTR Customer Help Desk at 512/465-7611. Thank you very much.

Sincerely,



Jerry L. Dike, Director
Vehicle Titles and
Registration Division

JLD:jg

Attachments

cc: Major Ricky Smith, Texas Department of Public Safety
Captain Robert Burroughs, Texas Department of Public Safety
Mr. Curt Swenson, Texas Comptroller of Public Accounts
Mr. Bill Jordan, Texas Natural Resource Conservation Commission
Dealer Associations
VTR Administration