

Subject Removing short-term motor vehicle taxes and fees from car sharing services

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Overview

Exempts all car sharing services from the extra 9.2 percent short-term motor vehicle sales tax and the 5.0 percent fee charged and retained by car rental companies to offset the motor vehicle registration fee. Currently nonprofit car sharing services are exempt from the fee only.

Effective for sales and purchases made after June 30, 2019.

Summary

Section	Description
1	<p>Fee imposed.</p> <p>Deletes the current exemption from the 5.0 percent from the short-term motor vehicle fee for nonprofit car sharing companies. This is replaced with the exemption from both the extra sales tax and the fee in section 2.</p>
2	<p>Exemption.</p> <p>Exempts all carsharing companies from the extra 9.2 percent short-term motor vehicle sales tax and the 5.0 percent fee charged and retained by car rental companies to offset the motor vehicle registration fee.</p> <p>To be exempt the car sharing company must meet all of the following criteria:</p> <ul style="list-style-type: none">• Require vehicle renters to have a membership to rent vehicles from the organization;• Own or lease a fleet of vehicles that are available to members at intervals of one hour or less;• Park vehicles in unstaffed self service locations that are accessible 24 hours a day;• Maintain and insure vehicles on behalf of the members; and• Do not have rates that decline on a per unit basis except for maximum daily rates.



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