

## **Motor Vehicle Excise Tax**

### **MOTOR VEHICLE EXCISE TAX**

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**A bill for a vehicle you no longer own should not be ignored<sup>1</sup>**

#### **BILLING**

Residents who own and register a motor vehicle must annually pay a motor vehicle excise. /The excise is levied by the city or town where the vehicle is principally garaged and the revenues become part of the local community treasury.

#### **PAYMENT**

Payment of the motor vehicle excise is due 30 days from the date the excise bill is issued (not mailed, as is popularly believed). According to Chapter 60A, Section 2 of the Massachusetts General Laws, "Failure to receive notice shall not affect the validity of the excise". A person who does not receive a bill is still liable for the excise plus any interest charges accrued. Therefore, it is important to keep the Registry, Assessors, and the post office informed of a current name and address so that excise bills can be delivered promptly. All owners of motor vehicles must pay an excise tax; therefore, it is the responsibility of the owner to contact the Assessors if he/she has not received a bill.

#### **PENALTIES FOR NONPAYMENT**

If an excise is not paid within 30 days from the issue date, the Tax Collector will send a demand, with a fee for \$5.00. In addition, interest will accrue on the overdue bill at an annual rate of 12 percent from the day after the due date.

If the demand is not answered within 14 days, the Collector may issue a warrant to the Deputy Tax Collector or an appointed agent, which carries another \$5.00 fee. The Deputy Tax Collector (or agent) issues a warrant notice at a cost of \$9.00. If there is still no response, a final warrant, a service warrant, will be delivered or exhibited to the taxpayer

at his/her residence or workplace, at a fee of \$14.00. All interest and penalties should be clearly stated on the bill.

## **ABATEMENTS**

If an owner of a motor vehicle thinks he/she is entitled to an adjustment of his/her excise bill it is strongly recommended that he/she pay the bill in full, then contact the Assessors Office for an application for abatement. Although payment of a bill is not a precondition for abatement, an owner risks incurring late fees and penalties if an abatement is not granted.

Applications for abatement must be received by the Assessors by December 31<sup>st</sup> of the year following the year of the tax. If the bill is mailed after December 1<sup>st</sup> of the year following the tax year, application must be made on or before the 30<sup>th</sup> day from the date of issue or the date of mailing, whichever is later.

## **ABATEMENT REASONS**

### **IF YOU'VE MOVED**

If a motor vehicle owner moves within Massachusetts and has not paid an excise tax for the current year, he/she should immediately notify the Assessors of his/her new address. The owner must pay the motor vehicle excise to the town in which he/she resided on January 1<sup>st</sup>. If the owner moved before the first of the year, he/she must pay the tax to the new community to which the owner moved. If the owner did not notify the Registry, the Assessors, and the post office that he/she moved before the first of the year, it may be necessary to file for an abatement with the former city or town which had sent the excise bill.

### **IF YOUR MOTOR VEHICLE IS SOLD**

If an excise bill is received for a vehicle or trailer, which had been sold, the seller must return the plate(s) to the Registry of Motor Vehicles, get a return plate receipt, and file an application for abatement together with the return plate receipt and the bill of sale with the Assessors. The bill will be adjusted to reflect the portion of the year when the recipient of the bill owned the vehicle.

### **IF YOUR MOTOR VEHICLE IS TRADED**

If an excise is received for a vehicle which was traded and which was not owned in the calendar year stated on the bill, it is recommended to pay the bill and then file an application for abatement with the Assessors. The application must accompany a copy of the registration for the new vehicle, which indicates the date of transfer.

## **IF YOUR MOTOR VEHICLE IS STOLEN**

If the vehicle is stolen and not recovered within 30 days, the owner will be entitled to an abatement if the theft of the vehicle was reported to the local police within 48 hours of discovery of the theft. After 30 days, the owner must surrender the certificate of registration and obtain a certificate from the Registry of Motor Vehicles indicating that he/she has done so.

**It is important to remember that the bill for a vehicle you no longer own should not be ignored!**