

**SENATE BILL REPORT**

**SB 5535**

**AS REPORTED BY COMMITTEE ON TRANSPORTATION, FEBRUARY 23, 1993**

**Brief Description:** Taxing large trucks.

**SPONSORS:** Senators Vognild, Prince and M. Rasmussen

**SENATE COMMITTEE ON TRANSPORTATION**

**Majority Report:** That Substitute Senate Bill No. 5535 be substituted therefor, and the substitute bill do pass.

Signed by Senators Vognild, Chairman; Loveland, Vice Chairman; Skratek, Vice Chairman; Barr, Drew, Nelson, Oke, Prince, M. Rasmussen, Sellar, Sheldon, and Winsley.

**Staff:** Roger Horn (786-7839)

**Hearing Dates:** February 16, 1993; February 23, 1993

**BACKGROUND:**

Owners of any commercial trailer or semitrailer are required annually to pay a registration fee of \$36 and motor vehicle excise tax at a rate of 2.2 percent of the vehicle value. Unlike fees for trucks, fees for commercial trailers and semitrailers engaged in interstate commerce are not prorated.

**SUMMARY:**

The motor vehicle excise tax rate is increased from 2.2 percent of vehicle value to 2.78 percent for trucks and trailing units with gross vehicle weight of 40,000 pounds or more.

**EFFECT OF PROPOSED SUBSTITUTE:**

The motor vehicle excise tax (MVET) rate is increased from 2.2 percent to 2.78 percent for any truck-type power unit used in combination with a trailer to transport loads in excess of 40,000 pounds combined gross weight. This increased fee does not apply to power units used exclusively for hauling logs.

For trailers hauled by the truck-type power units subject to this higher rate, the following provisions apply: