

# **Economic Impact Analysis Virginia Department of Planning and Budget**

24 VAC 20-90 – Evidence Required to Permit Registration or Reregistration of Vehicles for Which Proof of Tax Payment and of State Corporation Commission Registration Is Required

**Department of Motor Vehicles** 

June 14, 2013

## **Summary of the Proposed Amendments to Regulation**

The Commissioner of the Department of Motor Vehicles proposes to repeal this regulation.

## **Result of Analysis**

The proposed change will have no significant impact.

## **Estimated Economic Impact**

Code of Virginia § 46.2-649 states the following:

A. Before the Commissioner registers or reregisters any motor vehicle, trailer, or semitrailer under §§ 46.2-697, 46.2-698, 46.2-700 or § 46.2-703, the applicant shall furnish evidence satisfactory to the Commissioner that all state, local, and federal taxes levied on that motor vehicle, trailer, or semitrailer have been paid and that the motor vehicle, trailer, or semitrailer either (i) is registered with the Department as required by law, or (ii) is not required so to register.

Prior to the 2013 Acts of Assembly, the next subsection of § 46.2-649 was as follows:

B. The Commissioner, in consultation with local commissioners of the revenue and directors of finance, and with appropriate federal officials, by regulation shall provide for the kinds of evidence required to satisfy the provisions of subsection A of this section.

Chapter 226 of the 2013 Acts of Assembly removed the words "by regulation" from the above subsection. Consequently, the Commissioner proposes to repeal this regulation. As still required by the Code, the Commissioner will continue to consult with local commissioners of revenue and

directors of finance, and with appropriate federal officials on the kinds of evidence that can be used to prove that all local, state, and federal taxes have been paid.

The current regulations essentially indicate that a receipt from the relevant taxing authority would serve as proof. Presumably this will continue to be the case without these regulations. Thus, the proposed repeal of these regulations will not have a significant impact.

#### **Businesses and Entities Affected**

The proposed repeal will not significantly affect any business or entity. The subject matter of the regulations concerns individuals seeking to register a motor vehicle, trailer, or semitrailer.

#### **Localities Particularly Affected**

The proposed repeal does not disproportionately affect particular localities.

#### **Projected Impact on Employment**

The proposal repeal is unlikely to affect employment.

#### **Effects on the Use and Value of Private Property**

The proposed repeal is unlikely to significantly affect the use and value of private property.

#### Small Businesses: Costs and Other Effects

The proposed repeal is unlikely to significantly affect small businesses.

## **Small Businesses: Alternative Method that Minimizes Adverse Impact**

The proposed repeal is unlikely to significantly affect small businesses.

## **Real Estate Development Costs**

The proposed repeal is unlikely to affect real estate development costs.

# **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 14 (10). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, a determination of the public benefit, the projected

number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has an adverse effect on small businesses, Section 2.2-4007.04 requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.