Motor Vehicle Excise

Chapter 60A imposes an excise on the privilege of registering a motor vehicle or a trailer in the Commonwealth of Massachusetts. The excise is levied annually in lieu of a tangible personal property tax. Non-registered vehicles, however, remain subject to taxation as personal property.

Valuation

A vehicle's excise valuation is based on the manufacturer's list price (M.S.R.P.) in the vehicle's year of manufacture.

Various percentages of the manufacturer's list price are applied as follows:

- in the year preceding the designated year of manufacture 50%
- in the year of manufacture 90%
- in the second year 60%
- in the third year 40%
- in the fourth year 25%
- in the fifth and succeeding years 10%

Calculating the Excise

Once the value of the vehicle is determined, an excise at the rate of $25.00 per thousand is assessed. Excises are assessed annually, on a calendar year basis, by the assessors of the municipality in which the vehicle is primarily garaged.

If a motor vehicle is registered after January 31, it is taxed for the period extending from the first day of the month in which it is registered to the end of the calendar year. For example, if a vehicle is registered on April 30, it will be taxable as of April 1, for the nine remaining months of the year (April through December) and the excise due, therefore, will be 9/12 of the full excise. In no event shall an excise be assessed for less than $5.00, nor shall an abatement or refund under Section 1 of Chapter 60A reduce an excise to less than $5.00.

Motor Excise Abatements

A partial abatement of the excise (and refund for an excise already paid) is appropriate in any of the following circumstances:

- Transfer of a person and his vehicle to another state or country with proof of registration in that state or country and cancellation of a registration in Massachusetts;
- Overvaluation of a motor vehicle;
- Sale of a vehicle with proof of cancellation of registration; or, if existing plates are transferred to a new vehicle registration (subsequent registration of a new vehicle in the same year by the same person); or
- Notification to the police within 48 hours of discovery of a theft of the vehicle, surrender of the certificate of registration not less than 30 days after the theft, and presentation of a certificate from the Registrar of Motor Vehicles verifying that the car has been stolen evidenced by such plate return receipt.

In the case of a stolen vehicle subsequently recovered and registered in the same calendar year by the same owner, a proportionate part of the excise is paid for those months of the year remaining. Anyone making a false report of theft is subject to a penalty of no more than three times the excise due on the vehicle for the entire year.
recoverable in a civil action brought by the city or town which the excise was payable.