

Katy Hall proposes the following substitute bill:

1

Vehicle Registration Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Katy Hall

Senate Sponsor:

2

3

LONG TITLE

4

General Description:

5

This bill allows the cancellation of vehicle registration and the refund of certain taxes and fees on a pro rata basis.

7

Highlighted Provisions:

8

This bill:

9

▸ allows the owner of certain vehicles to cancel the registration of the vehicle;

10

▸ allows the owner of a vehicle that cancels the registration of the vehicle to receive a refund of the registration fees and uniform fees in lieu of ad valorem tax on a pro rata basis;

13

▸ provides an additional penalty for operating a vehicle for which the registration has been canceled by the vehicle owner;

15

▸ requires reporting on data related to refunds issued; and

16

▸ makes technical changes.

17

Money Appropriated in this Bill:

18

None

19

Other Special Clauses:

20

This bill provides a special effective date.

21

Utah Code Sections Affected:

22

AMENDS:

23

41-1a-201, as last amended by Laws of Utah 2024, Chapter 459

24

41-1a-209, as last amended by Laws of Utah 2021, Chapter 135

25

53-8-209, as last amended by Laws of Utah 2020, Chapters 345, 351

26

59-2-405.1, as last amended by Laws of Utah 2025, Chapter 279

27

63I-2-241, as enacted by Laws of Utah 2024, Third Special Session, Chapter 5

28

29 *Be it enacted by the Legislature of the state of Utah:*

30 Section 1. Section **41-1a-201** is amended to read:

31 **41-1a-201 . Function of registration -- Registration required -- Penalty.**

32 (1) Unless exempted, a person or automated driving system may not operate and an owner
33 may not engage an automated driving system, give another person permission to engage
34 an automated driving system, or give another person permission to operate a motor
35 vehicle, combination of vehicles, trailer, semitrailer, vintage vehicle, restored-modified
36 vehicle, off-highway vehicle, vessel, or park model recreational vehicle in this state
37 unless it has been registered in accordance with this chapter, Chapter 22, Off-highway
38 Vehicles, Chapter 27, Novel Vehicle Registration, or Title 73, Chapter 18, State Boating
39 Act.

40 (2)(a) Subject to Subsection 53-8-209(3), a violation of this section is an infraction.

41 (b) In addition to a penalty under Subsection (2)(a), a vehicle owner is subject to an
42 additional \$100 fine if the vehicle owner:

43 (i) cancels a vehicle's registration as provided in Section 41-1a-209; and

44 (ii) violates Subsection (1).

45 (3)(a) In the event that materials are temporarily unavailable for registration items
46 required under Section 41-1a-402, the commission may delay initial vehicle
47 registration or renewal of vehicle registrations.

48 (b) In a circumstance described in Subsection (3)(a), a person does not violate
49 Subsection (1) for failure to register a vehicle during a delay period described in
50 Subsection (3)(a).

51 Section 2. Section **41-1a-209** is amended to read:

52 **41-1a-209 . Application for registration -- Contents.**

53 (1) An owner of a vehicle subject to registration under this part shall apply to the division
54 for registration on forms furnished by the division.

55 (2) The application for registration shall include:

56 (a) the signature of an owner of the vehicle to be registered;

57 (b) the name, bona fide residence and mailing address of the owner, or business address
58 of the owner if the owner is a firm, association, or corporation;

59 (c) a description of the vehicle including the make, model, type of body, the model year
60 as specified by the manufacturer, the number of cylinders, and the identification
61 number of the vehicle;

62 (d) other information required by the division to enable it to determine whether the

- 63 owner is lawfully entitled to register the vehicle; and
- 64 (e) an indication if the applicant is applying for automatic registration renewal as
- 65 described in Section 41-1a-216.
- 66 (3)(a) A vehicle owner may cancel registration of the vehicle electronically in the
- 67 manner prescribed by the division.
- 68 (b) A cancellation of registration described in Subsection (3)(a) does not obviate the
- 69 requirement for registration described in Section 41-1a-201.
- 70 (4)(a) Subject to Subsections (4)(c), (d), and (e), if an owner of a motor vehicle cancels
- 71 the registration of a motor vehicle that is 14,000 pounds or less gross laden weight
- 72 and subject to registration under this part, the owner is entitled to a refund of the
- 73 following fees for the portion of the year remaining since the date the fees were due
- 74 for that year:
- 75 (i) fees described in Section 41-1a-1206;
- 76 (ii) fees described in Section 41-1a-1222; and
- 77 (iii) fees described in Section 41-1a-1223.
- 78 (b) The division shall refund the registration fee on a pro rata monthly basis for any
- 79 whole month remaining in the registration period after the date of the cancellation.
- 80 (c) The division may withhold five dollars from the refund amount for the mailing and
- 81 administrative costs of administering the refund.
- 82 (d) If the amount of a refund under this section, when added to the refund amount
- 83 described in Section 59-2-405.1, does not exceed \$40, the vehicle owner is not
- 84 eligible for a refund.
- 85 (e) The following motor vehicles are not eligible for a refund under this Subsection (4):
- 86 (i) a motorcycle;
- 87 (ii) a motor vehicle with a gross laden weight of 14,001 pounds or more;
- 88 (iii) a roadable aircraft;
- 89 (iv) an off-highway vehicle;
- 90 (v) an all-terrain vehicle type I vehicle, all-terrain vehicle type II vehicle, or
- 91 all-terrain vehicle type III vehicle;
- 92 (vi) an off-highway implement of husbandry;
- 93 (vii) a street-legal all-terrain vehicle;
- 94 (viii) a recreational vehicle; or
- 95 (ix) a vintage vehicle.
- 96 (5)(a) The division shall provide a report to the Transportation Interim Committee

97 regarding refunds issued as described in this section, including:

98 (i) the number of refunds issued;

99 (ii) the average refund amount;

100 (iii) the total amount of revenue refunded; and

101 (iv) any other data the division finds relevant.

102 (b) The division shall:

103 (i) provide one report on or before November 1, 2027, using data from the time
 104 period between January 1, 2027, and June 30, 2027; and

105 (ii) provide one report on or before November 1, 2028, using data from the time
 106 period between July 1, 2027, and June 30, 2028.

107 Section 3. Section **53-8-209** is amended to read:

108 **53-8-209 . Inspection by officers -- Certificate of inspection.**

109 (1) A peace officer may stop, inspect, and test a vehicle at any time upon reasonable cause
 110 to believe that:

111 (a) a vehicle is unsafe or not equipped as required by law;

112 (b) the vehicle's equipment is not in proper adjustment or repair; or

113 (c) the vehicle has been in an accident and a post accident investigation is necessary.

114 (2)(a)(i) If a vehicle is found to be in unsafe condition or any required part or
 115 equipment is not present or is not in proper repair and adjustment, the officer may
 116 give a written notice to the driver and shall send a copy to the division.

117 (ii) The notice shall:

118 (A) require that the vehicle be placed in safe condition and the vehicle's
 119 equipment in proper repair and adjustment;

120 (B) specify the repairs and adjustments needed; and

121 (C) require that a safety inspection certificate be obtained within 14 days.

122 (b) If a vehicle is, in the reasonable judgment of the peace officer, hazardous to operate,
 123 the peace officer may require that the vehicle:

124 (i) not be operated under its own power; or

125 (ii) be driven to the nearest garage or other place of safety.

126 (c)(i) If the owner or driver does not comply with the notice requirements and secure
 127 a safety inspection certificate within 14 days, the vehicle may not be operated on
 128 the highways of this state.

129 (ii) A violation of Subsection (2)(c)(i) is an infraction.

130 (3)(a) ~~[An]~~ Except as provided in Subsection (3)(b), an owner or driver of a vehicle is not

131 guilty of an infraction and is not required to pay a fee or fine if the citation was
 132 issued for:

133 ~~[(a)]~~ (i) expired registration in violation of Section 41-1a-201 or 41-1a-1303, and:

134 ~~[(i)]~~ (A) the citation was issued within two months after the expiration of the
 135 vehicle's registration; and

136 ~~[(ii)]~~ (B) the owner or driver registers the vehicle within 14 days after the citation
 137 was issued; or

138 ~~[(b)]~~ (ii) a violation of Section 41-1a-205, 41-6a-1601, or 53-8-205 or any other
 139 equipment related infraction under Title 41, Chapter 6a, Part 16, Vehicle
 140 Equipment, and the owner or driver obtains a safety inspection, emissions
 141 inspection, or proof of repair, as applicable, within 14 days after the citation was
 142 issued.

143 (b) Subsection (3)(a) does not apply to a vehicle owner who is operating a vehicle after
 144 canceling the vehicle registration as provided in Section 41-1a-209.

145 Section 4. Section **59-2-405.1** is amended to read:

146 **59-2-405.1 . Uniform fee on certain vehicles with a gross vehicle weight rating of**
 147 **14,000 pounds or less -- Distribution of revenues -- Appeals.**

148 (1) The property described in Subsection (2) is exempt from ad valorem property taxes
 149 pursuant to Utah Constitution, Article XIII, Section 2, Subsection (6).

150 (2)(a) Except as provided in Subsection (2)(b), there is levied as provided in this part a
 151 statewide uniform fee in lieu of the ad valorem tax on:

152 (i) motor vehicles as defined in Section 41-1a-102 that:

153 (A) are required to be registered with the state; and

154 (B) have a gross vehicle weight rating of 14,000 pounds or less; and

155 (ii) state-assessed commercial vehicles required to be registered with the state that
 156 have a gross vehicle weight rating of 14,000 pounds or less.

157 (b) The following tangible personal property is exempt from the statewide uniform fee
 158 imposed by this section:

159 (i) aircraft;

160 (ii) tangible personal property subject to a uniform fee imposed by:

161 (A) Section 59-2-405;

162 (B) Section 59-2-405.2; or

163 (C) Section 59-2-405.3; and

164 (iii) tangible personal property that is exempt from state or county ad valorem

165 property taxes under the laws of this state or of the federal government.

166 (3)(a) Except as provided in Subsections (3)(b) and (c), beginning on January 1, 1999,
 167 the uniform fee for purposes of this section is as follows:

Age of Vehicle	Uniform Fee
12 or more years	\$10
9 or more years but less than 12 years	\$50
6 or more years but less than 9 years	\$80
3 or more years but less than 6 years	\$110
Less than 3 years	\$150

174 (b) For registrations under Section 41-1a-215.5, the uniform fee for purposes of this
 175 section is as follows:

Age of Vehicle	Uniform Fee
12 or more years	\$7.75
9 or more years but less than 12 years	\$38.50
6 or more years but less than 9 years	\$61.50
3 or more years but less than 6 years	\$84.75
Less than 3 years	\$115.50

182 (c) Notwithstanding Subsections (3)(a) and (b), beginning on September 1, 2001, for a
 183 motor vehicle issued a temporary sports event registration certificate in accordance
 184 with Section 41-3-306, the uniform fee for purposes of this section is \$5 for the event
 185 period specified on the temporary sports event registration certificate regardless of
 186 the age of the motor vehicle.

187 (d)(i) Subject to Subsection (3)(d)(ii), for a vehicle registered for a 24-month period
 188 as provided in Section 41-1a-215.5, the uniform statewide fee amounts imposed
 189 by this section are double the amounts due for the same vehicle registered for a
 190 12-month period.

191 (ii) For a vehicle registered for a 24-month period as provided in Section 41-1a-215.5,
 192 if the 24-month term extends from one age bracket to another age bracket as
 193 described in this section, the person shall pay the sum of:

194 (A) the uniform statewide fee amount for the first year corresponding to the age
 195 bracket applicable for the first 12 months of the registration period; and

196 (B) the uniform statewide fee amount for the second year corresponding to the age
197 bracket applicable for the second 12 months of the registration period.

198 (4) Notwithstanding Section 59-2-407, property subject to the uniform fee that is brought
199 into the state and is required to be registered in [~~Utah~~] the state shall, as a condition of
200 registration, be subject to the uniform fee unless all property taxes or uniform fees
201 imposed by the state of origin have been paid for the current calendar year.

202 (5)(a) The revenues collected in each county from the uniform fee shall be distributed by
203 the county to each taxing entity in which the property described in Subsection (2) is
204 located in the same proportion in which revenue collected from ad valorem real
205 property tax is distributed.

206 (b) Each taxing entity shall distribute the revenues received under Subsection (5)(a) in
207 the same proportion in which revenue collected from ad valorem real property tax is
208 distributed.

209 (6)(a) If the owner of a vehicle subject to the uniform fee in lieu of the ad valorem tax
210 described in this section cancels the registration of the vehicle and is eligible for a
211 refund of fees as described in Section 41-1a-209, the owner is entitled to a refund of
212 the uniform fee in lieu of the ad valorem tax paid under this section for the portion of
213 the year remaining since the date the uniform fee in lieu of the ad valorem tax was
214 paid.

215 (b) The division shall refund the uniform fee in lieu of the ad valorem tax on a pro rata
216 monthly basis for any whole month remaining in the registration period after the date
217 of the cancellation.

218 (c) The commission may account for the costs to administer a refund as described in this
219 Subsection (6) by withholding from the refund as described in Subsection
220 41-1a-209(4)(c).

221 (d) If the amount of a refund under this section, when added to the refund amount
222 described in Section 41-1a-209, does not exceed \$40, the vehicle owner is not
223 eligible for a refund.

224 Section 5. Section **63I-2-241** is amended to read:

225 **63I-2-241 . Repeal dates: Title 41.**

226 [Reserved.]

227 Subsection 41-1a-209(5), regarding reports from the Motor Vehicle Division on data
228 related to vehicle registration refunds, is repealed on January 1, 2029.

229 Section 6. **Effective Date.**

230 This bill takes effect on January 1, 2027.