

## What is the motor vehicle and trailer excise?

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Motor Vehicle excise tax is assessed and levied each calendar year for every motor vehicle that is registered in the Commonwealth of Massachusetts. Each vehicle is taxed from the first day of the month in which it is registered for the balance of the calendar year. The excise is based on information furnished on the application for registration. While individual communities bill and collect these excise taxes, it is the Registry of Motor Vehicles which is responsible for determining from which community the vehicle owner will be billed. The "Place of Garaging" that the owner has listed on the automobile insurance form determines the billing community. There are between six and eight Motor Vehicle Excise tax bill mailings during the year. The largest mailing occurs in February and usually includes all vehicles that were registered for over one year. The bills, although collected by the Town, are generated from the records of the Registry of Motor Vehicles.

A motor vehicle and trailer excise is in lieu of a tangible personal property tax and is levied for the privilege of registration. M.G.L. Ch. 60A, which is the statutory basis for the excise, uses the motor vehicle itself as a means to measure this privilege. Revenue derived from the excise can be used by cities and towns for any lawful purpose.

**For more detailed information regarding the definition of a "motor vehicle," the period of assessment, and certain registration requirements, see: [General Motor Vehicle Excise Information](#)**

## What valuation is used for motor vehicle excise bills?

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The value of a vehicle for the purpose of the excise is the applicable percentage for that year of the manufacturer's suggested retail price (MSRP) for that vehicle. The applicable percentages are set out in state law as follows:

In the year preceding the 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%

**Original Bill** – Payment is due within 30 days from the date of issue. A person who does not receive a bill is still liable for the excise tax. Therefore, it is important to keep the Registry of Motor Vehicles and the Post Office informed of current name and addresses so the excise tax bill can be delivered promptly.

**For examples and more information about the computation of a motor vehicle excise, see: [Calculation of the Excise](#)**

## What is the rate of excise and where is it assessed?

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An excise in the amount of \$25 per thousand is assessed upon the value of the vehicle as determined in accordance with the depreciation schedule. Prior to 1981 the rate was \$66 per thousand. With the passage of Proposition 2 1/2 the rate was set at \$25 per thousand. The excise is levied for a full calendar year and is assessed by the community where the motor vehicle is customarily garaged. In those instances where vehicles are registered in the Commonwealth but garaged outside of Massachusetts, the Commissioner of Revenue assesses the excise which is paid into the State treasury. M.G.L. Ch. 60A Sec. 1 provides that the owner of any motor vehicle registered for less than a full calendar year will be obligated to pay an excise based on the entire month when the vehicle was registered, as well as the remaining months of the year. For example, a vehicle registered on April 9th will be assessed an excise for the months of April through December.

***For more information about the billing process, see:***

[Role of the Registry of Motor Vehicles](#)

[Place of Assessment](#)

[Vehicles Registered after January 1](#)

[Payment Due Dates and Interest](#)

[Person Assessed and Mailing Address](#)

[Change of Address](#)

## What are the penalties for nonpayment of the excise?

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An excise must be paid within 30 days of the issuance of the bill. Any unpaid bill accrues interest at a rate of 12% per annum from the 31st day to the date of payment. The following steps for collection are set forth in M.G.L. Ch. 60A Sec. 2A:

1. The collector will send a demand which must be made more than one day after such excise becomes due. The demand fee is \$30.
2. If payment is not made within 14 days of the demand, the collector will issue a warrant to collect to a deputy collector. The deputy collector will then send a notice of his warrant to the taxpayer.
3. Upon failure to pay within 30 days of the notice of warrant, the deputy collector will make a service of warrant.
4. If the excise continues to be outstanding, the deputy collector or collector notifies the Registrar of Motor Vehicles within a two year period after the initial excise tax was issued. The Registry of Motor Vehicles will then mark or place in non-renewal status the license and registration of the taxpayer.
5. ***For more information about collection procedures, see:*** [Non-renewal of License and/or Registration](#)

## For what reasons may I get an abatement of a motor vehicle excise?

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A taxpayer may file an abatement application and receive an abatement for any of the following reasons:

1. Sale of the vehicle and cancellation of the registration or the trade of the subject vehicle for another;
2. Transfer of the registrant and the vehicle to another state with proof of registration in that state and cancellation of the Massachusetts registration;
3. Overvaluation of the vehicle;
4. Subsequent registration of the same vehicle in the same year by the same person (e.g., vehicle is later registered with a Vanity Plate).
5. Theft of the vehicle, if the local police authorities are notified within 48 hours of the discovery of the theft and the certificate of registration is surrendered not less than thirty days after the theft and the registrant has received a certificate of cancellation of registration signed by the Registrar of Motor Vehicles or his authorized agent verifying that the subject vehicle was stolen.

Applications for abatement must be filed with the local board of assessors within 3 years after the date the excise was due, or 1 year after the excise was paid, whichever is later. If the taxpayer's application for abatement is denied, there can be an appeal to the Appellate Tax Board (ATB).

Applications for Motor Vehicle Abatement are available on this web site. See Motor Vehicle Excise Abatement Applications.

***For more information about abatements, see:***

[Additional Abatement Detail](#)

## Are there special motor vehicle excise provisions?

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Yes, there are special provisions of the Motor Vehicle excise law that govern special plates and certain special types of vehicles. In this regard see:

***For more information, see:***

[Special Plates - Manufacturers, Dealers, Farmers](#)

[Antique Automobiles](#)

[Mobile Homes](#)

## Are there any exemptions from the motor vehicle excise?

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An exemption may be granted if the motor vehicle is owned and registered by the following entities:

1. The Commonwealth or any of its political subdivisions;
2. Charitable corporations or charitable trusts and religious organizations whose personal property is exempt under M.G.L. Ch. 59 Sec. 5 Cl. 3 and Cl. 10 respectively;
3. Lessors engaged in the business of leasing motor vehicles, if the vehicle is leased for a full calendar year to a charitable organization, other than a degree granting or diploma awarding institution;
4. Vehicles operated with special plates and owned or controlled by manufacturers, farmers or dealers (Section 5 plates);
5. Vehicles owned and registered by former prisoners of war or their surviving spouses, if the local option statute is adopted by the community;
6. Handicapped veterans with a wartime service connected disability as determined by Veterans Affairs who have lost, or lost the permanent use of, one or both feet, one or both hands, or the sight of one or both eyes;
7. Handicapped non-veterans who have lost, or lost the permanent use of, both legs or both arms or the sight of both eyes; (the exemption for handicapped veterans and non-veterans applies to not more than one motor vehicle owned and registered for the personal non-commercial use of such veteran or person).

***For abatement form to apply for an EXEMPTION, see:***

[Application for Abatement Form-Short Form](#)

[Application for Abatement Form-Long Form](#)

[Additional Exemption Detail](#)