

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 517

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO MOTOR VEHICLE RENTAL MARKETPLACES; AMENDING TITLE 63, IDAHO  
2 CODE, BY THE ADDITION OF A NEW CHAPTER 19, TITLE 63, IDAHO CODE, TO PRO-  
3 VIDE A SHORT TITLE, TO PROVIDE LEGISLATIVE INTENT, TO DEFINE TERMS AND  
4 TO PROVIDE FOR LIMITING TAX DUTIES OF VEHICLE RENTAL MARKETPLACES AND TO  
5 PROVIDE FOR THE COLLECTION OF TAX.  
6

7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. That Title 63, Idaho Code, be, and the same is hereby amended  
9 by the addition thereto of a NEW CHAPTER, to be known and designated as Chap-  
10 ter 19, Title 63, Idaho Code, and to read as follows:

11 CHAPTER 19

12 MOTOR VEHICLE RENTAL MARKETPLACES

13 63-1901. SHORT TITLE. This act shall be known and may be cited as the  
14 "Motor Vehicle Rental Marketplaces Act."

15 63-1902. LEGISLATIVE INTENT. This act is designed to promote access  
16 to motor vehicle rentals by limiting local governmental authority to pro-  
17 hibit such private property uses, or to specifically target them for regula-  
18 tion, except in circumstances necessary to safeguard public health and wel-  
19 fare. This act is also designed to preserve private property rights and pro-  
20 mote vehicle owner access to platforms for offering their motor vehicles for  
21 rentals, and to enhance local tax revenue by permitting platforms to assume  
22 tax collection and remittance responsibilities.

23 63-1903. DEFINITIONS. As used in this chapter:

24 (1) "Local government" means any governmental entity or agency, in-  
25 cluding counties, municipalities, and taxing districts, but not the state of  
26 Idaho and the agencies and departments of the state.

27 (2) "Motor vehicle" or "vehicle" means:

28 (a) A vehicle that is self-propelled, and for the purpose of titling and  
29 registration meets federal motor vehicle safety standards as defined in  
30 section 49-107, Idaho Code. "Motor vehicle" does not include vehicles  
31 moved solely by human power, electric personal assistive mobility de-  
32 vices, personal delivery devices, and motorized wheelchairs or other  
33 such vehicles that are specifically exempt from titling or registration  
34 requirements under title 49, Idaho Code; or

35 (b) A recreational vehicle as defined in section 49-119, Idaho Code.

36 (3) "Rental" means any privately owned motor vehicle whose use is of-  
37 fered for a fee.

38 (4) "Vehicle owner" means a person who provides a rental of a motor ve-  
39 hicle to a driver using a vehicle rental marketplace.

1 (5) "Vehicle rental marketplace" means a person who provides a platform  
2 through which a vehicle owner offers a rental to a driver.

3 (6) "Vehicle rental transaction" means a charge to a driver by a vehicle  
4 owner for any rental of a motor vehicle using a vehicle rental marketplace.

5 63-1904. LIMITING TAX DUTIES OF VEHICLE RENTAL MARKETPLACES -- COL-  
6 LECTION OF TAX. (1) A vehicle rental marketplace shall register with the  
7 state tax commission for collection, reporting, and payment of sales and use  
8 taxes levied by this state and any applicable local government taxes admin-  
9 istered by the state tax commission on vehicle rentals due from a vehicle  
10 owner on any vehicle rental transaction facilitated by the vehicle rental  
11 marketplace.

12 (2) A vehicle rental marketplace shall collect, report, and pay taxes  
13 imposed on the vehicle owner or driver of a vehicle rental by any local gov-  
14 ernment.

15 (3) Any local government that has levied a tax pursuant to statutory au-  
16 thorization may contract with the state tax commission for the collection  
17 and administration of such taxes in like manner and under definitions and  
18 rules of the state tax commission for the collection and administration of  
19 the state sales or use tax under chapter 36, title 63, Idaho Code. Alterna-  
20 tively, such local government shall have authority to administer and collect  
21 such tax. All revenues collected on behalf of the local governments by the  
22 state tax commission pursuant to this chapter shall be distributed as fol-  
23 lows: An amount of money shall be distributed to the state refund fund suf-  
24 ficient to pay current refund claims. All refunds authorized by the commis-  
25 sion to be paid shall be paid through the state refund fund and those mon-  
26 eys are continuously appropriated. The state tax commission may retain an  
27 amount of money equal to such fee as may be agreed upon between the state tax  
28 commission and the local government for the actual cost of the collection and  
29 administration of the tax. The amount retained by the commission shall not  
30 exceed the amount authorized to be expended by appropriation by the legis-  
31 lature. Any unencumbered balance in excess of the actual cost at the end of  
32 each fiscal year shall be distributed as provided in this section. All re-  
33 maining moneys received pursuant to this chapter shall be placed in a fund  
34 designated by the state controller and remitted monthly to the local govern-  
35 ment levying such tax.

36 (4) A vehicle rental marketplace that has not facilitated a vehicle  
37 rental transaction in Idaho shall have forty-five (45) days to comply with  
38 this section upon completion of its first vehicle rental transaction in  
39 Idaho.