**Section 1010.510 Determination of Registration Fees**

a) References

1) Subject

 This Section describes the determination of registration fees.

2) Authority

This Section is promulgated under the general authority of Section 2-104 of the Illinois Vehicle Code and based on the provisions of Section 3-803 of the Illinois Vehicle Code [IVC] [625 ILCS 5/2-104 and 3-803].

3) References

The following Sections of the Illinois Vehicle Code are referenced in this Section:

3-801 3-803

3-802 806

4) Definitions

"Delayed registration affirmation" means a statement by the owner that the vehicle to be registered has not been operated on the public highways during his ownership. The Office of the Secretary of State shall deny a delayed registration affirmation if all the information requested is not supplied or if the information provided is in conflict with other information.

To "operate" a vehicle means to cause the vehicle to move about the public highways under the vehicle's own power. Towing a vehicle shall not be considered operating the vehicle.

5) Interpretive Comment

A) Section 3-803 of the Illinois Vehicle Code establishes the policy that certain individuals are entitled to a reduced registration fee under specific conditions. By Section 3-803(a), persons who are eligible for a reduction are those who:

i) acquire the vehicle after the beginning of... the applicable *registration period*; or

ii) independent of when the vehicle was acquired, have a vehicle *which* became *subject to registration* *after the beginning of* the applicable *registration period.*

B) Subsections (b) through (d) of Section 3-803 of the Illinois Vehicle Code establish the percent of the permissible reduction to which each class of registrants is entitled and the qualifying times.

C) In Subsections (b) and (d) the term *"or which become subject to registration after the beginning of a registration period..."* does not appear even though it appears in Subsection (a). It is our interpretation that the Legislature intended the broader statement of Subsection (a) to apply throughout Section 3-803 of the Illinois Vehicle Code, and that a vehicle is not subject to registration until the owner uses it on public highways. Therefore, an individual who purchases a vehicle which is specially outfitted or stored does not become subject to registration until the vehicle is so outfitted or removed from storage and the owner operates the vehicle on public highways. If such operation occurs after a qualifying time period for fee reduction, then such individual is entitled to such fee reduction. Guidelines for determining the date a vehicle becomes subject to registration are set forth in subsection (a)(6), below.

D) Subsections (e) and (f) of Section 3-803 of the Illinois Vehicle Code establish certain types of registration to which fee reduction cannot apply under any circumstance.

E) Grace Period

i) Section 3-801 of the Illinois Vehicle Title and Registration Law of the Illinois Vehicle Code [625 ILCS 5/3-801] provides a 24 hour grace period applicable only to vehicle sales between individuals to allow the buyer to drive the vehicle from the point of sale to the individual's residence or to a facility to obtain registration. Evidence of ownership shall be carried on the vehicle and shall consist of a properly assigned title to the new owner or a bill of sale which contains but is not limited to the following information: the name and address of the seller and buyer; the year, make, serial number of the vehicle; and the date of the sale. Once the vehicle has been operated upon the public highways, however, the owner shall apply for registration within 24 hours of such operation. The owner's subsequent plans for the vehicle (storage, special outfitting, etc.) are irrelevant. The fee reductions of Section 3-802(b)-(d) are not available once the vehicle has been operated on the public highways.

ii) Vehicles operated with a 5 day permit but not operated after the expiration of the permit shall become subject to registration as provided in subsection (a)(6).

iii) If the vehicle was towed to its new destination, the vehicle shall be subject to registration as provided in subsection (a)(6), infra.

6) Date Vehicles Become Subject to Registration

A) The date the vehicle is first operated on the public highways by the present owner determines the date the vehicle becomes subject to registration. However, if the date of initial operation of the vehicle is unknown to the personnel of the Department of Vehicle Services, the date upon which the vehicle becomes subject to registration shall be determined by subsection (a)(6) (B) or (C) below.

B) The purchase date shall be used to determine when the vehicle became subject to registration if the title and registration application date is within six months of the purchase date, and no delayed registration affirmation accompanied the registration application.

C) The application date shall be used to determine when the vehicle became subject to registration if:

i) the title and registration application date is within six months after the purchase date and the owner submits a delayed registration affirmation; or

ii) the title and registration application date is more than six months after the purchase date; or

iii) the vehicle was previously titled but was not registered; or

iv) the vehicle had been registered within the preceding 12 months, but the plates have been transferred to another vehicle.

D) For purposes of Section 3-803(f) of the IVC, the date the applicant becomes a resident of this state shall determine when the vehicle became subject to registration if the vehicle, within the preceding 12-month registration year, had been titled and registered in this state but currently is registered in another state. The owner shall submit proper proof that the vehicle had been validly registered in the other state during this period. The other state's vehicle registration card shall provide such proof. If this card is unavailable, the Secretary shall request verification of current registration from the other state. Upon providing such verification, the vehicle owner shall not be assessed registration fees for any prior registration period.

b) Calendar Year Registration

1) The registration fees and taxes imposed upon vehicles registered on an annual registration year basis shall be reduced by 50 percent when the vehicle becomes subject to registration on or after June 15, but before December 1 of a given calendar year. This subsection shall apply to passenger cars used as taxicabs or livery, and to vehicles registered with funeral home, ambulance, or honorary consular license plates.

2) Reduced Registration

A) Within any calendar year, if an applicant becomes the owner of a vehicle of the first division prior to June 15, and the vehicle is in fact not used or operated on a highway of this State prior to June 15;

B) Then the applicant shall be entitled to a reduced registration in the manner provided for in subsection (b)(1) above, upon compliance with the procedures of subsection (b)(3) below.

3) Delayed Registration Affirmation

A) If the vehicle was purchased within six months after the application date, the applicant shall submit a delayed registration affirmation to be eligible for reduced fees and taxes under subsection (b)(2), above.

B) If the vehicle was purchased more than six months prior to the application date, a delayed registration affirmation shall not be required.

4) A person who becomes the owner of a vehicle after December 1 of any calendar year shall be permitted to register that vehicle for the following registration period without being required to register the vehicle for the current or any previous registration period.

5) If a person becomes the owner of a vehicle before December 1 of any calendar year, but applies for registration after December 1, then such person shall be permitted to register that vehicle for the following registration period without being required to register the vehicle for the current or any previous registration period provided that the delayed registration affirmation indicates that the vehicle has not been operated prior to December 1 or that the purchase date is six months or more from the date of the registration application, as provided in subsection (a)(6).

c) Registration of Motorcycles, Motor Driven Cycles, and Pedalcycles

1) The registration fees and taxes imposed upon motorcycles, motor driven cycles, and pedalcycles, shall be reduced by 50 percent when the vehicle becomes subject to registration on or after September 16 of a given calendar year but prior to March 1 of the following calendar year.

2) Reduced Registration

A) If an applicant becomes the owner of a motorcycle, motor driven cycle, or a pedalcycle prior to September 16 and the vehicle is in fact not used or operated on a highway of this State prior to September 16;

B) Then the applicant shall be entitled to a reduced registration in the manner provided for in subsection (c)(1) above, upon compliance with the procedures of subsection (c)(3) below.

3) Delayed Registration Affirmation

A) If the vehicle was purchased within six months after the application date, the applicant shall submit a delayed registration affirmation to be eligible for reduced fees and taxes under subsection (c)(2), above.

B) If the vehicle was purchased more than six months prior to the application date, a delayed registration affirmation shall not be required.

4) A person who becomes the owner of a vehicle after March 1 of any calendar year shall be permitted to register that vehicle for the following registration period without being required to register the vehicle for the current or any previous registration period.

5) If a person becomes the owner of a vehicle before March 1 of any calendar year but applies for registration after March 1, then such person shall be permitted to register that vehicle for the following registration period without being required to register the vehicle for the current or any previous registration periods provided that the delayed registration affirmation indicates that the vehicle has not been operated prior to March 1 or that the purchase date is six months or more from the date of the registration application, as provided in subsection (a)(6).

(Source: Amended at 22 Ill. Reg. 8521, effective April 28, 1998)