Calculation Of The Excise Amount

The amount of the motor vehicle excise due on any particular vehicle or trailer in any registration year is calculated by multiplying the value of the vehicle by the motor vehicle excise rate. That rate is fixed at $25.00 per thousand dollars of value. 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 for that vehicle. The applicable percentages are set out in Ch. 60A §1 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%

The manufacturer's list price for any particular vehicle is the price recommended by the manufacturer as the selling price of that vehicle when new. It is the manufacturer's list price rather than the actual purchase price which will control for purposes of calculating the motor vehicle excise. The following models illustrate calculations of amounts due for representative automobiles.

Model 1

Model 1 assumes a motor vehicle (a) purchased in the year preceding the year of manufacture [e.g., a 2004 model year vehicle purchased in calendar 2003] (b) with a manufacturer's list price of $15,000.

	Manufacturer's List Price		Ch. 60A Percentage		Value for Excise Purposes		Rate		Excise Amount
Year of Purchase	$15,000	x	50%	=	$7,500	x	.025	=	$187.50
Second Year	$15,000	x	90%	=	$13,500	x	.025	=	$337.50
Third Year	$15,000	x	60%	=	$9,000	x	.025	=	$225.00
Fourth Year	$15,000	x	40%	=	$6,000	x	.025	=	$150.00
Fifth Year	$15,000	x	25%	=	$3,750	x	.025	=	$93.75
Sixth (and all ensuing years)	$15,000	x	10%	=	$1,500	x	.025	=	$37.50

Model 2

Model 2 assumes a motor vehicle (a) purchased two years succeeding the year of manufacture (b) with a manufacturer's list price of $19,000.

	Manufacturer's List Price		Ch. 60A Percentage		Value for Excise Purposes		Rate		Excise Amount
Year of Purchase	$19,000	x	40%	=	$7,600	x	.025	=	$190.00
Second Year	$19,000	x	25%	=	$4,750	x	.025	=	$118.75
Third Year (and all ensuing years)	$19,000	x	10%	=	$1,900	x	.025	=	$47.50