

<http://www.mass.gov/dor/local-officials/municipal-finance-law/frequently-asked-questions-motor-vehicle-excise.html#q22>

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

The excise is based on the value of the motor vehicle as determined by the Commissioner of Revenue upon certain percentages of the manufacturer's list price in the year of manufacture. The excise valuation is not based on the actual purchase price or "book value" of the vehicle. The percentages set forth in the statutory depreciation schedule that are applied to manufacturer's list price are as follows:

In the year preceding the designated 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%

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

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.