

Department of Finance		Fund: 0064 PAGE 1 Renumbered From:
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		
<u>Legal Title</u> Motor Vehicle License Fee Account, Transportation Tax Fund		
<u>Legal Citation/Authority</u> Chapter 362, Statutes of 1935 Revenue and Taxation Code sections 10701-11006 (Creation 11001)		
<u>Fund Classification</u> <u>GAAP Basis</u> Fiduciary/Agency Funds	<u>Fund Classification</u> <u>Legal Basis</u> Governmental/Transportation Funds	
<u>Purpose</u> A depository of motor vehicle license fees based on the market value of the vehicles operating on the public highways pursuant to the provisions of the Vehicle License Fee Law. These fees were initiated in lieu of city and county taxation of motor vehicles as personal property.		
<u>Administering Agency/Organization Code</u> Department of Motor Vehicles/Org 2740		
<u>Major Revenue Source</u> Motor vehicle license fees and trailer coach fees based on a percentage of market value penalties.		
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code section 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment, shall be transferred to the General Fund.		
<u>Appropriation Authority</u> Sections 11002, 11003, and 11005 of the Revenue and Taxation Code. (Refer to these sections for specific details).		
<u>State Appropriations Limit</u> Included - Revenues in this fund are proceeds of taxes which are included as SAL revenues. The major revenue source for this fund does not have a logical, direct relationship between the use or purposes and the payers from whom it was collected.		
<u>Comments/Historical Information</u> Chapter 40, Statutes of 1941 included the Vehicle License Fee Law in the Revenue and Taxation Code and continued the fund in existence under Section 11001 of the Code. After deduction of a proportionate amount of the costs of administering the law, the State Controller distributes the fees collected on trailer coaches to the counties where the trailer coaches have sites. The balance in the fund, after deducting all other costs provided for in the law, is distributed (one-half to each) to the cities and counties in proportion that the population of each city/county bears to the total population of the state.		

Chapter 1243, Statutes of 1971 continued this fund in existence as the Motor Vehicle License Fee Account in the Transportation Tax Fund without change in purpose.

Chapter 889, Statutes of 1973 provided for the transfer of 2.2 percent of the motor vehicle license fees, after deduction of the administrative costs of the Department of Motor Vehicles, to the Motor Vehicle Account in the Transportation Tax Fund. Chapter 1130, Statutes of 1974 changes the percentage to 2.5. This transfer is now made to the Motor Vehicle Account in the State Transportation Fund, as a result of Chapter 669, Statutes of 1978. This chapter merged the account in the Transportation Tax Fund into the account in the State Transportation Fund.

Chapter 35, Statutes of 2011 provided after payment of refunds therefrom and after making the deductions authorized by Section 11003 and reserving the amount determined necessary by the Pooled Money Investment Board to meet the transfers ordered or proposed to be ordered pursuant to Section 16310 of the Government Code, the balance of all motor vehicle license fees and any other money appropriated by law for expenditure pursuant to this section, deposited to the credit of the Motor Vehicle License Fee Account in the Transportation Tax Fund, and remaining unexpended in that account at the close of business on the last day of the calendar month, shall be allocated by the Controller by the 10th day of the following month in accordance with the following:

(a) On and after July 1, 2011, to the Local Law Enforcement Services Account in the Local Revenue Fund 2011, as established by Section 30025 of the Government Code, for allocation to cities, counties, and cities and counties.