

D-11-24-02

Date: November 19, 2024
Bulletin: All Dealers and Title Service Agencies
From: Central Operations' Vehicle Services Division
RE: **Annual Surcharge for Certain Electric Vehicles & Payment Schedule for Vehicle Registration Fees and Certain Surcharges**

Summary

This bulletin explains the Motor Vehicle Administration's (MVA) upcoming implementation of an annual surcharge for certain battery electric and plug-in hybrid vehicles and a payment schedule for vehicle registration fees and certain surcharges. These changes were made by the [Budget Reconciliation and Financing Act of 2024](#) (Chapter 717).

Annual Surcharge for Zero-Emission Vehicles and Plug-In Hybrid Vehicles Surcharge

Starting with vehicle registrations expiring in January 2025, there will be an annual surcharge for zero-emission vehicles (ZEV including battery electric vehicles) and plug-in hybrid vehicles (PHEV). Customers with these vehicles will pay:

- \$125.00 each year for each ZEV
- \$100.00 each year for each PHEV

This surcharge will be included in the vehicle registration process and is eligible for the payment schedule. If a customer wants a 2-year registration, the customer must pay the annual surcharge for both years at the time of registration.

Payment Schedule for Vehicle Registration Fees and Certain Surcharges

Starting with January 2025 registrations the MVA will offer a payment schedule for registration fees. The payment schedule will be available for both new registrations and renewal registrations and will include two payments – the initial payment when setting up the payment schedule and the second and final payment in 6 months after the registration term starts.

Who is eligible for the payment schedule?

To qualify for a payment schedule, a customer:

1. Must have a valid myMVA account
2. Must select a 1-year registration. The payment schedule cannot be used with a 2-year registration.
3. Must set up the schedule within 30 days of a current registration expiring
4. Cannot have two delinquent renewals in the history of their account

Customers with the following plate types are NOT eligible for the payment schedule:

- Transferrable plates (dealer, motorcycle, trailer, recycler and financial institution)
- Special Mobile equipment (SME) plates
- Transporter plates.

How can a customer set up a payment schedule?

A customer can set up a payment schedule:

- On their myMVA account
- At an MVA branch or kiosk
- At a County Treasurer's Office in certain counties¹
- During a vehicle transaction at a dealership or title service agency (pending ERT software updates)

If a business or commercial entity wants to set up a payment schedule for one or more of their vehicles, a representative of the business or commercial entity must come to an MVA branch and set up the schedule. The business or commercial entity can request an appointment during the online renewal process. A payment schedule for a business or commercial entity cannot be set up at a dealership or title service agency.

During this transaction, the customer must:

1. Choose a 1-year registration term
2. Pay the initial payment made with guaranteed funds (cash or credit card)
3. Agree to the following terms and conditions:
 - You are responsible for the final payment of the vehicle registration with no exceptions, even if the vehicle is sold, stolen, salvaged, etc.
 - You and the co-owner (if applicable) understand that tags **cannot** be transferred to another vehicle if a registration payment is owed to MVA.
 - Failure to pay the final payment of the registration will result in the suspension of the vehicle registration.
 - Failure to pay the final payment of the registration will result in the outstanding balance being referred to the Maryland Central Collection Unit (CC). Once a debt is referred to CCU, a 17% fee will be accessed.
 - You agree to create and maintain a myMVA online account*.
 - You and the co-owner (if applicable) agree to receive all notices regarding your Registration Payment Schedule electronically including reminders, receipts, etc. (A business or commercial entity will receive one paper remainder about payment via mail. It will be sent to the business address on record.)

* Does not apply to business accounts.

What does the customer pay in each payment?

The initial payment will include:

¹ Customers can renew vehicle registration at County Treasurer's Offices in Caroline, Charles, Dorchester, Frederick, Queen Anne's, St. Mary's, Somerset and Worcester Counties.

- 50% of the annual registration fee
- 50% of the annual electric vehicle surcharge (if applicable)
- 100% of the \$40.00 surcharge to support Maryland's emergency medical system
- 100% of fees associated with non-standard plates (e.g., bay, agricultural, organizational, or military)

The second payment will be 50% of the annual registration fee and 50% of the annual electric vehicle surcharge (if applicable).

There is no fee to set up a payment schedule.

How will MVA remind customers of the second payment and any failure to pay?

Notice	Days Prior to Balance Due	Information Included
Email Reminder	45 days	Friendly reminder with due date and balance due
Email Reminder	10 days	Friendly reminder with due date and balance due
Email Reminder	30 days past balance due	1 st Notice of Delinquency – Friendly reminder of past due balance, mentions possible referral to CCU
Paper and Email Reminder	60 days past balance due	2 nd Notice of Delinquency – Reminder of past due balance, CCU referral information.
Paper and Email Notice	120 days past balance due	Registration Suspension - Notice that the registration has been cancelled and refer the customer to CCU. If the customer has been referred to CCU, CCU will add an additional 17% fee to the amount of the second payment.

How does a customer pay the second payment?

The customer can pay the second payment on their myMVA account, at an MVA branch or kiosk, County Treasurer's Office in certain counties, or at a title service agency (pending ERT software updates). The second payment is due six months after the registration period starts.

The payment schedule can be paid in full at any time, but partial payment will not be accepted.

What happens if the second payment is not paid?

If the customer does not pay within:

- 30 days of the deadline, MVA will email a first notice of delinquency
- 60 days of the deadline, MVA will mail and email the second notice of delinquency
- 120 days of the deadline, MVA will mail and email a notice that the registration has been cancelled and refer the customer to CCU. If the customer has been referred to CCU, CCU will add an additional 17% fee to the amount of the second installment payment.

The customer must pay the balance before the next renewal period. If the customer has not paid when new renewal cycle starts, the customer will receive a flag notification instead of renewal notice.

What happens if the customer sells the vehicle or returns the tags?

The customer is still responsible for the second payment.

Implementation by ERT Vendors

All ERT vendors must make the necessary software changes to implement the payment schedule and electric vehicle surcharges. This includes providing all customers with the option to create a payment schedule, allow for payment of the payment schedule, and assess and report the electric vehicle surcharges.

These changes should be made as soon as possible so that customers with registrations on or after January 1, 2025, have the option of creating a payment schedule and if applicable, can be assessed the electric vehicle surcharge. For more information about the specific changes needed, see Electronic Registration & Titling Interface Control Document (version 2.17). These changes will move to production on November 20, 2024.

For any questions, please contact the Vehicles Division, Brian Forde at bforde@mdot.maryland.gov or Shanequa Richards-Marks at srichardsmarks@mdot.maryland.gov