

Alabama Department of Revenue

News Release
Sept. 26, 2006

Permanent Trailer Tag, Multi-Year Tag Streamline Registration for Alabama Motor Carriers

Montgomery—Beginning this October Alabama owners of tractor-trailer, truck trailer, or semitrailer combinations can choose either to register their trailers annually and pay an annual registration fee of \$20 or purchase a permanent trailer license plate for a one-time registration fee of \$60.

“Legislation passed earlier this year, Act 2006-276, authorizes the new permanent trailer tag as an option for Alabama motor carriers,” explained State Revenue Commissioner Tom Surtees.

“The permanent trailer tag option is viewed as a welcomed change by many in Alabama’s trucking community who have worked to streamline the registration process for motor carriers,” said Surtees.

The permanent plate is valid for the life of the trailer, provided ownership of the trailer does not change. The permanent tag cannot be transferred to another trailer or to another owner.

Property tax will still be assessed and paid annually on the trailer, but instead of paying the property tax at the time of registration, owners choosing the permanent tag option will be required to file a Business Personal Property Tax Return during the period October 1 through December 31 of each year. Business Personal Property Tax is paid in arrears; therefore, the property tax will be paid the following October 1 through December 31 period.

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To offset any loss in tag revenues to the State Road and Bridge Fund resulting from the permanent trailer tag, commercial license plate registration fees will increase from \$780 to \$815 for the X8 tag (gross vehicle weight of 73,281-80,000 lbs.) and from \$845 to \$890 for the X9 tag (gross vehicle weight over 80,000 lbs.), effective Oct. 1, 2006.

The legislation also provides for multi-year apportioned license plates for Alabama motor carriers enrolled in the International Registration Plan (IRP), effective Jan. 1, 2007. (The IRP is a registration reciprocity agreement among all contiguous states and the provinces of Canada for registering interstate motor carriers traveling in two or more member jurisdictions. Payment of registration and license fees is based on the number of miles traveled by the vehicle in all jurisdictions.)

Currently Alabama-based motor carriers registered under the IRP obtain new license plates each year. Beginning in January, these IRP registrants will be issued a multi-year license plate that will be valid for five years. IRP registrants will pay the same required fees and taxes each year and will continue to receive new cab cards each year.

For more information concerning Alabama motor carrier services, owners should contact the department's Motor Carrier Services office at (334) 242-2999 or visit the department's Web site at www.revenue.alabama.gov.

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