

Henry McMaster
Governor



Kevin A. Shwedo
Executive Director

State of South Carolina

Department of Motor Vehicles

To: All customers paying the Road Use Fee for a large commercial motor vehicle

From: Laura Bayne, Director of Vehicle Services *LAB*

Date: October 23, 2019

Subject: Road Use Fee (RUF) Calculations

The Department of Motor Vehicles (DMV) received stakeholder feedback that the agency was incorrectly assigning "Fair Market Value" (FMV) for the basis of the Road Use Fee (RUF) calculation paid by commercial motor vehicles. In response to this feedback, the DMV has revised its process to account for the FMV definition provided for in SC Code §12-37-2820(A) rather than the definition provided for in Title 56. The law reads:

The Department of Motor Vehicles annually shall assess, equalize, and apportion the valuation of all large commercial motor vehicles and buses of motor carriers registered for use in this State under the International Registration Plan or otherwise pursuant to Section 56-3-190. The valuation must be based on fair market value for the motor vehicles and an assessment ratio of nine and one-half percent as provided by Section 12-43-220(g). Fair market value is determined by depreciating the gross capitalized cost of each motor carrier's large commercial motor vehicle or bus by an annual percentage depreciation allowance down to ten percent of the cost...

Gross capitalized cost is further defined in SC Code §12-37-2820(B) as "the original cost upon acquisition for income tax purposes, not to include taxes, interest, or cab customizing."

When the DMV took over this responsibility from the Department of Revenue, the agency did not have any vehicle-specific FMVs it could use as a starting point for calculations. So, the agency utilized the same process that DOR did when a FMV based on an invoice or bill of sale did not exist: it queried Price Digest with the VIN to determine the FMV. In some cases, this valuation benefitted the customer, but in other cases, it did not.

If you disagree with the DMV regarding the amount of RUF you owe (based on the Price Digest valuation) for a specific vehicle, please e-mail the appropriate e-mail address below **before** remitting payment for the RUF. In that e-mail, please provide any and all supporting documentation you have (bills of sales, invoices, and your last PT-441/PT-453) that would show your gross capitalized cost for each specific vehicle. If you do not have documentation to demonstrate your gross capitalized cost, you can 1) have the DMV continue to use the Price Digest valuation for your vehicle or 2) provide the DMV with a certified appraisal of your vehicle to use in the calculation.

The subject line of all e-mails sent should read "RUF Calculation."

For apportioned, interstate large commercial motor vehicles: MCSRUF@scdmv.net

For large commercial motor vehicles operating solely within South Carolina: cartaxes@scdmv.net