



August 24, 2023

**Registration and Title Bulletin # 003-23  
Policy and Procedure**

**TO:** All County Tax Assessor-Collectors and Dealers

**SUBJECT:** **Senate Bill (SB) 505 - Electric Vehicle (EV) Fee**

**PURPOSE**

The purpose of this bulletin is to provide guidance on the new EV fee for fully electric vehicles as a result of SB 505, enacted by the 88th Legislature, Regular Session.

**DETAILS**

Effective September 1, 2023, SB 505 amends Chapter 502, Transportation Code, by adding Section 502.360, which requires fully electric cars and trucks with a gross vehicle weight of 10,000 lbs. or less to be assessed an annual \$200 fee at time of initial registration or renewal. New EVs issued two years of registration to match a two-year inspection will be assessed a \$400 fee.

The new fee will be collected on EV registrations processed on or after September 1, 2023, along with vehicle registration and other fees. Customers renewing their registration prior to September 1, 2023, will not be charged the fee regardless of when their registration expires.

The EV fee will not apply to hybrid vehicles or vehicles with combination fuel types. Motorcycles, mopeds, autocycles, and neighborhood electric vehicles will not be charged the EV fee. Additionally, governmental vehicles with exempt registration and other vehicles for which no registration fee is due, including those with Disabled Veteran and other meritorious military license plates, will not be assessed the EV fee.

Effective September 1, 2023, the Registration and Title System (RTS) and other applications used for titling and registration (webDEALER, webSUB) along with the Internet Vehicle Title and Registration Service and Texas-by-Texas online renewal systems will be programmed to determine if an EV fee is due based on the fuel type, vehicle type, vehicle weight, and registration type.

For vehicles with September and October 2023 registration expiration, letters were mailed the week of July 24<sup>th</sup> to inform EV owners of the change in state law and the impact to their renewal cost that is not reflected on their renewal notice.

If the fuel type cannot be determined by the system, the customer will not be allowed to renew online and will be directed to the county tax assessor-collector's office to complete their renewal.

Dealers must collect the EV fee for all retail sales on or after September 1, 2023, that involve the issuance of title and registration for fully electric cars and trucks with a gross vehicle weight of 10,000 lbs. or less. Vehicles sold prior to September 1, 2023, will not be assessed the EV fee, regardless of when the title and registration application is submitted.

Release notes detailing these new programming changes in RTS and other titling and registration systems will be distributed in August 2023.

**COUNTY ACTION**

Collect the EV fee determined by department systems. If a customer disputes the system-identified fuel type, the county will be responsible for determining if the vehicle is, in fact, fully electric or not. Counties may use a Vehicle Inspection Report or vehicle manufacturer specification information provided online or by the customer to validate the fuel type. If the vehicle fuel type populated in RTS is found to be erroneous, use a supervisor override code to change the previously decoded fuel type.

**CONTACT**

If you have any questions, please contact your local Texas Department of Motor Vehicles Regional Service Center.

Sincerely,

*A. Quintero*

Annette Quintero, Director  
Vehicle Titles and Registration Division  
Texas Department of Motor Vehicles