and 11351 of this title prior to the general amendment of this subtitle by Pub. L. 104-88, \$102(a).

#### Statutory Notes and Related Subsidiaries

#### EFFECTIVE DATE

Section effective Jan. 1, 1996, except as otherwise provided in Pub. L. 104–88, see section 2 of Pub. L. 104–88, set out as a note under section 1301 of this title.

#### **CHAPTER 145—FEDERAL-STATE RELATIONS**

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14501. Federal authority over intrastate transpor-

tation.

14502. Tax discrimination against motor carrier transportation property.

14503. Withholding State and local income tax by certain carriers.

[14504. Repealed.]

14504a. Unified Carrier Registration System plan and

agreement. State tax.

14505. State tax.14506. Identification of vehicles.

#### **Editorial Notes**

#### AMENDMENTS

2005—Pub. L. 109–59, title IV,  $\S\S4305(c)$ , 4306(b), Aug. 10, 2005, 119 Stat. 1773, 1774, added items 14504a and 14506.

Pub. L. 109-59, title IV, §4305(a), Aug. 10, 2005, 119 Stat. 1764, as amended by Pub. L. 110-53, title XV, §1537(c), Aug. 3, 2007, 121 Stat. 467, struck out item 14504 "Registration of motor carriers by a State", effective Jan. 1, 2008.

## § 14501. Federal authority over intrastate transportation

- (a) Motor Carriers of Passengers.—
- (1) LIMITATION ON STATE LAW.—No State or political subdivision thereof and no interstate agency or other political agency of 2 or more States shall enact or enforce any law, rule, regulation, standard, or other provision having the force and effect of law relating to—
  - (A) scheduling of interstate or intrastate transportation (including discontinuance or reduction in the level of service) provided by a motor carrier of passengers subject to jurisdiction under subchapter I of chapter 135 of this title on an interstate route;
  - (B) the implementation of any change in the rates for such transportation or for any charter transportation except to the extent that notice, not in excess of 30 days, of changes in schedules may be required; or
  - (C) the authority to provide intrastate or interstate charter bus transportation.

This paragraph shall not apply to intrastate commuter bus operations, or to intrastate bus transportation of any nature in the State of Hawaii.

- (2) MATTERS NOT COVERED.—Paragraph (1) shall not restrict the safety regulatory authority of a State with respect to motor vehicles, the authority of a State to impose highway route controls or limitations based on the size or weight of the motor vehicle, or the authority of a State to regulate carriers with regard to minimum amounts of financial responsibility relating to insurance requirements and self-insurance authorization.
- (b) Freight Forwarders and Brokers.—

(1) GENERAL RULE.—Subject to paragraph (2) of this subsection, no State or political subdivision thereof and no intrastate agency or other political agency of 2 or more States shall enact or enforce any law, rule, regulation, standard, or other provision having the force and effect of law relating to intrastate rates, intrastate routes, or intrastate services of any freight forwarder or broker.

(2) CONTINUATION OF HAWAII'S AUTHORITY.— Nothing in this subsection and the amendments made by the Surface Freight Forwarder Deregulation Act of 1986 shall be construed to affect the authority of the State of Hawaii to continue to regulate a motor carrier operating

within the State of Hawaii.

(c) Motor Carriers of Property.—

(1) GENERAL RULE.—Except as provided in paragraphs (2) and (3), a State, political subdivision of a State, or political authority of 2 or more States may not enact or enforce a law, regulation, or other provision having the force and effect of law related to a price, route, or service of any motor carrier (other than a carrier affiliated with a direct air carrier covered by section 41713(b)(4)) or any motor private carrier, broker, or freight forwarder with respect to the transportation of property.

(2) MATTERS NOT COVERED.—Paragraph (1)—

- (A) shall not restrict the safety regulatory authority of a State with respect to motor vehicles, the authority of a State to impose highway route controls or limitations based on the size or weight of the motor vehicle or the hazardous nature of the cargo, or the authority of a State to regulate motor carriers with regard to minimum amounts of financial responsibility relating to insurance requirements and self-insurance authorization;
- (B) does not apply to the intrastate transportation of household goods; and
- (C) does not apply to the authority of a State or a political subdivision of a State to enact or enforce a law, regulation, or other provision relating to the regulation of tow truck operations performed without the prior consent or authorization of the owner or operator of the motor vehicle.
- (3) STATE STANDARD TRANSPORTATION PRACTICES.—
  - (A) CONTINUATION.—Paragraph (1) shall not affect any authority of a State, political subdivision of a State, or political authority of 2 or more States to enact or enforce a law, regulation, or other provision, with respect to the intrastate transportation of property by motor carriers, related to—
    - (i) uniform cargo liability rules,
    - (ii) uniform bills of lading or receipts for property being transported,

(iii) uniform cargo credit rules,

- (iv) antitrust immunity for joint line rates or routes, classifications, mileage guides, and pooling, or
- (v) antitrust immunity for agent-van line operations (as set forth in section 13907),

if such law, regulation, or provision meets the requirements of subparagraph (B).

- (B) REQUIREMENTS.—A law, regulation, or provision of a State, political subdivision, or political authority meets the requirements of this subparagraph if—
  - (i) the law, regulation, or provision covers the same subject matter as, and compliance with such law, regulation, or provision is no more burdensome than compliance with, a provision of this part or a regulation issued by the Secretary or the Board under this part; and
  - (ii) the law, regulation, or provision only applies to a carrier upon request of such carrier.
- (C) ELECTION.—Notwithstanding any other provision of law, a carrier affiliated with a direct air carrier through common controlling ownership may elect to be subject to a law, regulation, or provision of a State, political subdivision, or political authority under this paragraph.
- (4) NONAPPLICABILITY TO HAWAII.—This subsection shall not apply with respect to the State of Hawaii.
- (5) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to prevent a State from requiring that, in the case of a motor vehicle to be towed from private property without the consent of the owner or operator of the vehicle, the person towing the vehicle have prior written authorization from the property owner or lessee (or an employee or agent thereof) or that such owner or lessee (or an employee or agent thereof) be present at the time the vehicle is towed from the property, or both.
- (d) PRE-ARRANGED GROUND TRANSPORTATION.—
- (1) IN GENERAL.—No State or political subdivision thereof and no interstate agency or other political agency of 2 or more States shall enact or enforce any law, rule, regulation, standard or other provision having the force and effect of law requiring a license or fee on account of the fact that a motor vehicle is providing pre-arranged ground transportation service if the motor carrier providing such service—
  - (A) meets all applicable registration requirements under chapter 139 for the interstate transportation of passengers;
  - (B) meets all applicable vehicle and intrastate passenger licensing requirements of the State or States in which the motor carrier is domiciled or registered to do business; and
  - (C) is providing such service pursuant to a contract for—  $\,$ 
    - (i) transportation by the motor carrier from one State, including intermediate stops, to a destination in another State; or
    - (ii) transportation by the motor carrier from one State, including intermediate stops in another State, to a destination in the original State.
- (2) INTERMEDIATE STOP DEFINED.—In this section, the term "intermediate stop", with respect to transportation by a motor carrier, means a pause in the transportation in order for one or more passengers to engage in per-

- sonal or business activity, but only if the driver providing the transportation to such passenger or passengers does not, before resuming the transportation of such passenger (or at least 1 of such passengers), provide transportation to any other person not included among the passengers being transported when the pause began.
- (3) MATTERS NOT COVERED.—Nothing in this subsection shall be construed—
  - (A) as subjecting taxicab service to regulation under chapter 135 or section 31138;
  - (B) as prohibiting or restricting an airport, train, or bus terminal operator from contracting to provide preferential access or facilities to one or more providers of pre-arranged ground transportation service; and
  - (C) as restricting the right of any State or political subdivision of a State to require, in a nondiscriminatory manner, that any individual operating a vehicle providing prearranged ground transportation service originating in the State or political subdivision have submitted to pre-licensing drug testing or a criminal background investigation of the records of the State in which the operator is domiciled, by the State or political subdivision by which the operator is licensed to provide such service, or by the motor carrier providing such service, as a condition of providing such service.

(Added Pub. L. 104–88, title I, §103, Dec. 29, 1995, 109 Stat. 899; amended Pub. L. 105–178, title IV, §4016, June 9, 1998, 112 Stat. 412; Pub. L. 105–277, div. C, title I, §106, Oct. 21, 1998, 112 Stat. 2681–586; Pub. L. 107–298, §2, Nov. 26, 2002, 116 Stat. 2342; Pub. L. 109–59, title IV, §§4105(a), 4206(a), Aug. 10, 2005, 119 Stat. 1717, 1754; Pub. L. 114–94, div. A, title V, §5514, Dec. 4, 2015, 129 Stat. 1557.)

### **Editorial Notes**

## REFERENCES IN TEXT

The Surface Freight Forwarder Deregulation Act of 1986, referred to in subsec. (b)(2), is Pub. L. 99-521, Oct. 22, 1986, 100 Stat. 2993. For complete classification of this Act to the Code, see Short Title of 1986 Amendment note set out under section 10101 of this title and Tables

## PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 11501 of this title prior to the general amendment of this subtitle by Pub. L. 104-88, §102(a).

### AMENDMENTS

2015—Subsec. (c)(2)(C). Pub. L. 114-94 substituted "the regulation of tow truck operations" for "the price of for-hire motor vehicle transportation by a tow truck, if such transportation is".

2005—Subsec. (c)(2)(B). Pub. L. 109-59, §4206(a), inserted "intrastate" before "transportation".

Subsec. (c)(5). Pub. L. 109–59, §4105(a), added par. (5). 2002—Subsec. (d). Pub. L. 107–298 added subsec. (d).

1998—Subsec. (a). Pub. L. 105–178 reenacted heading without change and amended text of subsec. (a) generally. Prior to amendment, text read as follows: "No State or political subdivision thereof and no interstate agency or other political agency of 2 or more States shall enact or enforce any law, rule, regulation, standard, or other provision having the force and effect of law relating to scheduling of interstate or intrastate

transportation (including discontinuance or reduction in the level of service) provided by motor carrier of passengers subject to jurisdiction under subchapter I of chapter 135 of this title on an interstate route or relating to the implementation of any change in the rates for such transportation or for any charter transportation except to the extent that notice, not in excess of 30 days, of changes in schedules may be required. This subsection shall not apply to intrastate commuter bus operations."

Subsec. (a)(1). Pub. L. 105-277 substituted "operations, or to intrastate bus transportation of any nature in the State of Hawaii" for "operations" in concluding provisions.

#### Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114-94 effective Oct. 1, 2015, see section 1003 of Pub. L. 114-94, set out as a note under section 5313 of Title 5, Government Organization and Employees.

#### EFFECTIVE DATE

Section effective Jan. 1, 1996, except as otherwise provided in Pub. L. 104–88, see section 2 of Pub. L. 104–88, set out as a note under section 1301 of this title.

# § 14502. Tax discrimination against motor carrier transportation property

- (a) DEFINITIONS.—In this section, the following definitions apply:
  - (1) ASSESSMENT.—The term "assessment" means valuation for a property tax levied by a taxing district.
  - (2) ASSESSMENT JURISDICTION.—The term "assessment jurisdiction" means a geographical area in a State used in determining the assessed value of property for ad valorem taxation.
  - (3) MOTOR CARRIER TRANSPORTATION PROPERTY.—The term "motor carrier transportation property" means property, as defined by the Secretary, owned or used by a motor carrier providing transportation in interstate commerce whether or not such transportation is subject to jurisdiction under subchapter I of chapter 135.
  - (4) COMMERCIAL AND INDUSTRIAL PROPERTY.— The term "commercial and industrial property" means property, other than transportation property and land used primarily for agricultural purposes or timber growing, devoted to a commercial or industrial use, and subject to a property tax levy.
- (b) ACTS BURDENING INTERSTATE COMMERCE.— The following acts unreasonably burden and discriminate against interstate commerce and a State, subdivision of a State, or authority acting for a State or subdivision of a State may not do any of them:
  - (1) EXCESSIVE VALUATION OF PROPERTY.—Assess motor carrier transportation property at a value that has a higher ratio to the true market value of the motor carrier transportation property than the ratio that the assessed value of other commercial and industrial property in the same assessment jurisdiction has to the true market value of the other commercial and industrial property.
  - (2) TAX ON ASSESSMENT.—Levy or collect a tax on an assessment that may not be made under paragraph (1).

- (3) AD VALOREM TAX.—Levy or collect an ad valorem property tax on motor carrier transportation property at a tax rate that exceeds the tax rate applicable to commercial and industrial property in the same assessment jurisdiction.
- (c) JURISDICTION.—
- (1) IN GENERAL.—Notwithstanding section 1341 of title 28 and without regard to the amount in controversy or citizenship of the parties, a district court of the United States has jurisdiction, concurrent with other jurisdiction of courts of the United States and the States, to prevent a violation of subsection (b) of this section.
- (2) LIMITATION IN RELIEF.—Relief may be granted under this subsection only if the ratio of assessed value to true market value of motor carrier transportation property exceeds, by at least 5 percent, the ratio of assessed value to true market value of other commercial and industrial property in the same assessment jurisdiction.
- (3) BURDEN OF PROOF.—The burden of proof in determining assessed value and true market value is governed by State law.
- (4) VIOLATION.—If the ratio of the assessed value of other commercial and industrial property in the assessment jurisdiction to the true market value of all other commercial and industrial property cannot be determined to the satisfaction of the district court through the random-sampling method known as a sales assessment ratio study (to be carried out under statistical principles applicable to such a study), the court shall find, as a violation of this section—
  - (A) an assessment of the motor carrier transportation property at a value that has a higher ratio to the true market value of the motor carrier transportation property than the assessment value of all other property subject to a property tax levy in the assessment jurisdiction has to the true market value of all such other property; and
  - (B) the collection of ad valorem property tax on the motor carrier transportation property at a tax rate that exceeds the tax ratio rate applicable to taxable property in the taxing district.

(Added Pub. L. 104-88, title I, §103, Dec. 29, 1995, 109 Stat. 900.)

## **Editorial Notes**

### PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 11503a of this title prior to the general amendment of this subtitle by Pub. L. 104-88,  $\S102(a)$ .

### Statutory Notes and Related Subsidiaries

### EFFECTIVE DATE

Section effective Jan. 1, 1996, except as otherwise provided in Pub. L. 104–88, see section 2 of Pub. L. 104–88, set out as a note under section 1301 of this title.

## § 14503. Withholding State and local income tax by certain carriers

(a) SINGLE STATE TAX WITHHOLDING.—