Calculating Excise Tax in Massachusetts

$25 per 1,000 of value or *value x 0.025 = annual excise amount*

The excise rate is $25 per $1,000 of your vehicle's value. It is charged for a full calendar year and billed by the community where the vehicle is usually garaged. If your vehicle is registered in Massachusetts but garaged outside of Massachusetts, the Commissioner of Revenue will bill the excise.

If you own any motor vehicle that has been registered for less than a full calendar year, you will pay the excise based on the entire month when you registered that vehicle, as well as for the remaining months of the year. For example, a vehicle registered on April 9th will be billed an excise for April through December.

The **minimum** motor vehicle excise is $5. If your calculated excise is less than $5, you will be taxed $5.

Vehicle value

Your vehicle's value for excise purposes isn't the actual purchase price or "book value" of the vehicle. Instead, it's a percentage of the manufacturer's list price in the year of manufacture.

The manufacturer's list price for any vehicle is the price the manufacturer recommends as the selling price of that vehicle (for vehicles of the same make, type, model, and year of manufacture) when new.

Year you bought your vehicle	Vehicle value (% of manufacturer's list price)
Year before designated year of manufacture	50%
Year of manufacture	90%
Second year	60%
Third year	40%
Fourth year	25%
Fifth year and onwards	10%

EXAMPLE:

RENDERING OF MOTOR VEHICLE EXCISE VALUE AND TAX						
2015 volvo				APPROX. TAX	approximate MSRP	VALUE= TAX/RATE
vehicle year (age)	calendar year	excise tax rate	excise value percentage	mv excise tax	EST. VALUE	RATE * VALUE = TAX
7	2021	0.025	**10%**	$ 92.50	3,700	
6	2020	0.025	**10%**	$ 92.50	3,700	
5	2019	0.025	**10%**	$ 92.50	3,700	
4	2018	0.025	25%	$ 207.50	8,300	
3	2017	0.025	40%	$ 306.88	12,275	
2	2016	0.025	60%	$ 497.50	19,900	
1	2015	0.025	90%	$ 829.13	33,165	
MSRP of new vehicle				$	36,850	