

1 H.302

2 Introduced by Representative Courcelle of Rutland City

3 Referred to Committee on

4 Date:

5 Subject: Taxation; motor vehicle sales and use tax; exceptions

6 Statement of purpose: This bill proposes to exempt from the motor vehicle
7 sales and use tax the difference between the sales price and the value
8 designated by the National Automobile Dealers Association (New England
9 Edition) for sales of repossessed vehicles.

10 An act relating to motor vehicle sales and use tax on repossessed vehicles

11 It is hereby enacted by the General Assembly of the State of Vermont:

12 Sec. 1. 32 V.S.A. § 8903(h) is added to read:

13 (h) Notwithstanding any other provision of this chapter, in the event that a
14 financial institution, as defined in subdivision 11101(32) of Title 8, repossesses
15 a motor vehicle on which it holds a lien because of nonpayment or other
16 default under the instrument of purchase and sells that vehicle to a third party,
17 the tax imposed on the purchaser of the vehicle under this chapter shall be
18 based on the purchase price of the vehicle and not the taxable cost.

19 Sec. 2. EFFECTIVE DATE

20 This act shall take effect on July 1, 2009.