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S.326

Revised Misc. DMV Bill Amendment Draft Language for DMV Review

* * * Purchase and Use Tax * * *

Sec. 13. 32 V.S.A. § 8902 is amended to read:

§ 8902. DEFINITIONS

Unless otherwise expressly provided, as used in this chapter:

* * *

(4)(A) “Purchase price” for a vehicle that is purchased outright means the gross consideration, exclusive of the tax hereby imposed, that is to be paid for the motor vehicle, expressed in terms of U.S. currency as of the time of the sale, and shall include ~~the~~ any cash consideration payment, if any, plus as well as the value of any services or property given or to be given, or both, in exchange for the motor vehicle.

~~(B) In the case of a lease, the purchase price shall mean~~ “Purchase price” for a leased vehicle means an amount computed by subtracting the lease end value of the motor vehicle from the original acquisition cost of the motor vehicle. For purposes of this subdivision (4)(B), the original acquisition cost of a motor vehicle is the gross ~~consideration~~ amount that the lessee would pay for the motor vehicle if the lessee purchased the motor vehicle on the date of

1 execution of the lease contract, as stated in the lease contract or worksheet, and
2 the lease end value is the value of the motor vehicle at the end of the lease
3 period, as stated in the lease contract or worksheet or as determined under
4 section 8907 of this title.

5 (5)(A) “Taxable cost” means the purchase price as defined in
6 subdivision (4) of this section or the taxable cost as determined under section
7 8907 of this title.

8 (B) For any purchaser who has paid tax on the purchase or use of a
9 motor vehicle that was sold or traded by the purchaser or for which the
10 purchaser received payment under a contract of insurance, the taxable cost of
11 the replacement motor vehicle other than a leased vehicle shall exclude:

12 * * *

13 (ii)(I) The amount received from the sale of a motor vehicle last
14 registered or titled in the seller’s name, ~~the amount~~ which shall not to exceed
15 the clean trade-in value of the same make, type, model, and year of
16 manufacture as designated by the manufacturer and as shown in the J.D. Power
17 Values, or any comparable publication, provided the sale occurs within three
18 months after the taxable purchase. The Commissioner may develop a process
19 to determine the value of vehicles that do not have a clean trade-in value in
20 J.D. Power Values.

1 (C) motor home as defined in subdivision 8902(11) of this title or
2 trailer coach as defined in subdivision 8902(16) of this title; or

3 (D) motor vehicle weighing with a shipping weight Gross Vehicle
4 Weight Rating of up to 10,099 13,500 pounds, registered pursuant to 23 V.S.A.
5 § 367, other than a farm truck.

6 (2) For any other motor vehicle or trailer, it shall be six percent of the
7 taxable cost of the motor vehicle or trailer or \$2,486.00 for each motor vehicle
8 or trailer, whichever is smaller, by a person at the time of first registering or
9 transferring a registration to ~~such~~ the motor vehicle or trailer payable as
10 ~~hereinafter~~ provided pursuant to this chapter, except no use tax shall be
11 payable ~~hereunder~~ pursuant to this subsection if the tax imposed by subsection
12 (a) of this section has been paid, or the vehicle is a pleasure car or trailer that
13 was purchased, leased, or otherwise acquired for use in short-term rentals, in
14 which case the vehicle shall be subject to taxation under subsection (d) of this
15 section.

16 * * *

17 (g)(1) There is hereby imposed upon the titling in this State a tax at the rate
18 provided for in subsection (a) or (b) of this section of the taxable cost of a:

19 * * *

20 (C) motor home as defined in subdivision 8902(11) of this title or
21 trailer coach as defined in subdivision 8902(16) of this title; or

1 (D) motor vehicle weighing with a ~~shipping weight~~ Gross Vehicle
2 Weight Rating of up to ~~10,099~~ 13,500 pounds, registered pursuant to 23 V.S.A.
3 § 367, other than a farm truck.

4 (2) For any other motor vehicle or trailer, it shall be at the rate provided
5 for in subsection (a) or (b) of this section and paid by a person at the time of
6 obtaining a certificate of title to the vehicle or trailer, except no tax shall be
7 payable ~~hereunder~~ pursuant to this section if the tax imposed by subsection (a)
8 or (b) of this section has been paid, or the vehicle is a pleasure car or trailer
9 that was purchased, leased, or otherwise acquired for use in short-term rentals,
10 in which case the vehicle shall be subject to taxation under subsection (d) of
11 this section.

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