

HB 809 -- MOTOR VEHICLE SALES TAX

SPONSOR: Smith (67)

This bill requires any motor vehicle dealer licensed under current law engaged in the business of selling motor vehicles or trailers to apply to the Director of the Department of Revenue for authority to collect and remit the sales tax required under this bill on all motor vehicles sold by the motor vehicle dealer.

Beginning January 1, 2022, if the sales tax imposed on the purchase of a motor vehicle is not collected and remitted by a motor vehicle dealer and the purchaser of the motor vehicle utilizes any form of financing to purchase the motor vehicle, the full amount of the sales tax due must be explicitly included in the financing agreement between the purchaser and the financing entity. The financing entity must transfer the sales tax amount directly to the motor vehicle dealer, who will then remit the sales tax due to the appropriate taxing authority on behalf of the purchaser. Any amounts received by the taxing authority will be credited towards any amounts of sales tax otherwise due to the taxing authority by the purchaser. The failure of a motor vehicle dealer to properly remit moneys to an appropriate taxing authority will not be a defense to any claim owed by the purchaser, and both the motor vehicle dealer and the purchaser will be jointly liable to the taxing authority for any taxes owed.