
	Vermont Sales Tax Exemption Certificate for REGISTRABLE MOTOR VEHICLES OTHER THAN CARS AND TRUCKS where seller does not collect purchase and use tax. 32 V.S.A. §9741(12)	Form S-3V
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BUYER	Buyer's Name		
	Address		
	City	State	Zip

SELLER	Seller's Name		
	Address		
	City	State	Zip

ITEM PURCHASED	Make	Date of Sale
	Model	Sales Price
	Vehicle ID Number	Trade-In Allowance
	Description	Net Sales Price

I certify the above vehicle will be registered with the Vermont Department of Motor Vehicles. Purchase and Use Tax under Chapter 219 of Title 32, Vermont Statutes Annotated will be paid at the time of registration. Therefore, this purchase is exempt from Sales Tax.


Date

This form should be completed in duplicate for every sale on which no Purchase and Use tax or Sales tax is charged. One copy should be retained by the seller, and the other should be sent to:

Vermont Department of Taxes
PO Box 547
Montpelier, VT 05601-0547.

**THIS FORM NEED NOT BE COMPLETED IF THE DEALER COLLECTS THE SALES TAX OR
PURCHASE AND USE TAX.**

A motor vehicle is subject to either the Purchase and Use tax (Title 32, Chapter 219) or the Sales and Use tax (Title 32, Chapter 233).

PURCHASE AND USE TAX

If the vehicle will be registered with the Vermont Department of Motor Vehicles, Purchase and Use tax is due. The tax is payable to the Department of Motor Vehicles at the time of registration. Registration of the vehicle exempts the transaction from sales tax.

SALES AND USE TAX

When the vehicle will not be registered with the Vermont Department of Motor Vehicles by the dealer, sales tax should be collected by the seller unless this certificate is completed. If the buyer registers the vehicle within three (3) years from date of purchase, any sales tax paid is refundable to the buyer.

EXEMPTION CERTIFICATE

This exemption certificate should be filled out by any buyer of a motor vehicle who intends to register the vehicle with the Vermont Department of Motor Vehicles within 90 days. This exemption certificate covers all motor vehicles that are registrable by the Department of Motor Vehicles **except cars and trucks**. It includes, but is not limited to, all-terrain vehicles, motorcycles, heavy equipment (backhoes, ditch diggers), tractors, or trailers pulled by a motor vehicle.

BUYER'S RESPONSIBILITY

The buyer certifies his/her intention to register the motor vehicle with the Vermont Department of Motor Vehicles as a true statement. If the vehicle is not registered, the buyer is liable for the Sales and Use tax.

SELLER'S RESPONSIBILITY

The seller must collect Purchase and Use or Sales and Use tax on sales of motor vehicles unless this exemption certificate is completed and retained.

A seller who accepts an exemption certificate in "good faith" is relieved of liability for collection or payment of tax upon transactions covered by the certificate. The question of "good faith" is one of fact and depends upon the conditions surrounding the transaction. A seller is presumed to be familiar with the law and the regulations pertinent to the business in which he deals.

In order for "good faith" to be established, the following conditions must be met:

- (a) The Certificate must contain no statement or entry which the seller knows, or has reason to know, is false or misleading.
- (b) The Sales and Use Tax Exemption Certification For Registerable Motor Vehicles form must be used.
- (c) The certificate must be dated and complete and in accordance with the published instructions.
- (d) The buyer's certificate must be issued prior to or at time of the purchase of the motor vehicle in duplicate. One copy should be retained by the seller and the other copy sent to the Vermont Department of Taxes quarterly.

Sales transactions which are not supported by properly executed exemption certificates shall be deemed to be taxable retail sales. The burden of proof that the tax was not required to be collected is upon the seller.

Certificates must be retained by the seller and be available for inspection by the Vermont Department of Taxes for three years from the date of the sale.

The Department and its auditors will treat as a taxable sale any transaction for which an exemption certificate was required and is not in the seller's possession at the time of the sale.

COPIES SHOULD BE SENT TO THE DEPARTMENT OF TAXES QUARTERLY.

**Vermont Department of Taxes
TECHNICAL BULLETIN**

TAX: SALES
SUBJECT: Tax on Tracked Vehicles
REFERENCE: 32 V.S.A. § 9741 (38)

TB-52
ISSUED: July 1, 2008 (as TB 43)
REVISED: July 1, 2010 (as TB 52)
REVISED: May 25, 2012

Subsection 9741(38) of Title 32, Vermont Statutes Annotated limits the sales and use tax imposed on the purchase of tracked vehicles. The law further provides that the maximum tax will be adjusted as of July 1 of each even numbered year by the cumulative inflation index for the prior two calendar years under the Consumer Price Index for urban consumers – all items and rounded to the nearest ten dollars.

The maximum tax for sales occurring between July 1, 2012 and June 30, 2014 is **\$1,260** after adjusting for 2010 and 2011 inflation.

The cap is computed as follows:

Unrounded cap for July 1, 2010 to June 30, 2012	\$1,204.80
CPI Urban all items December 2009 – December 2011	x 1.04696
Unrounded cap July 1, 2012	\$1,261.38
Maximum tax July 1, 2012 through June 30, 2014	\$1,260.00

If the sale of a tracked vehicle takes place in a municipality where the local option sales tax is collected, the additional 1% tax is also due on the sale of tracked vehicles for the first \$21,000 of the price of the vehicle. In cases where the sale price of a tracked vehicle is greater than \$21,000, the local option tax is capped at \$210. In such cases, the total sales tax collected is \$1,470 (\$1,260 cap as calculated above and the additional local option tax of \$210.)

There is no change in the sales and use tax filing requirements of vendors of tracked vehicles. For sales tax reporting purposes, the total sales price of the vehicle will be reported on the vendor's sales tax return as gross sales (Line 1) with the balance of any such sale that exceeds \$21,000 shown as nontaxable sales on Line 2.

Example for the sale of a tracked vehicle:

INVOICE

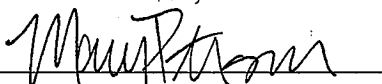
Selling price	\$78,000
Sales tax due	\$ 1,260
Total due	\$ 79,260

SALES TAX REPORTING CALCULATION

Gross sales	\$78,000
Exempt sales	\$57,000
Taxable sales	\$21,000
Tax at 6%	\$ 1,260
Local Option Tax (Line 4c, if applicable)	\$210

INVOICE (Local Option jurisdiction)

Selling price	\$78,000
Sales tax due	\$1,470
Total Due	\$79,470

Approved: 

Date: 5/25/12

Mary N. Peterson
 Commissioner of Taxes