

Motor Vehicle Rebate Sales Tax Exclusion; HB 2111

HB 2111 excludes the amount of any cash rebate granted by a manufacturer to a purchaser or lessee of a new motor vehicle from the sales price of the motor vehicle for purposes of calculating the sales tax liability on the purchase of the motor vehicle. Previous law included the value of a rebate for purposes of calculating sales tax liability. The bill requires the rebate to be paid directly to the retailer as a result of the original sale.

This exclusion takes effect July 1, 2018, and sunsets June 30, 2021.