

**Supplemental Presentation Materials
for
Sales & Use Tax for Vehicles
2012**

FAQ's

Do I have to pay sales tax when I buy a vehicle over the Internet or in another state?

Yes, unless some other exemption applies to your purchase.

How is the sales tax determined on vehicles bought at auction?

Auctioneers in Idaho are retailers and must collect sales tax on the full sales price when they sell a motor vehicle. If you buy a vehicle outside of Idaho and the auctioneer doesn't collect sales tax, you owe a use tax based on the bill of sale when you title and register the vehicle.

I won a car in a contest. Do I have to pay sales tax?

No. You don't have to pay sales tax because you didn't buy the car. However, you must fill out Idaho Sales Tax Exemption Certificate, [Form ST-133](#), Section II, and give the completed form to the clerk when you title and register the car. The organization (car dealership, radio station, corporation, etc.) that gives the vehicle away as a prize must pay the Idaho sales tax.

Additionally, prizes are subject to income tax and will be added to your taxable income. Therefore, you must pay income tax on the value of the car you won.

I'm a military member stationed in Idaho, with my home residence in another state. Do I need to pay sales tax on my car?

You can qualify for an exemption at the time of sale only if you provide a copy of military orders that show you must report to a duty station in another state within 60 days.

I'm a nonresident buying a car in Idaho. Do I need to pay sales tax on my car?

A nonresident who buys a vehicle from a dealer owes sales tax on the vehicle if it stays in Idaho more than 60 days in a 12-month period. This applies to nonresident members of the military as well.

However, nonresidents who will take the vehicle to another state or country and immediately license and title it there can buy the vehicle without paying sales tax if they properly complete a Form [ST-104MV](#).

FAQ's - Continued

I'm an Idaho resident and I just bought a truck in Idaho, but I'm soon moving out of state. Do I have to pay sales tax on a vehicle that won't be used here?

Yes. You're an Idaho resident until you've taken all the steps to complete a change in permanent residence.

I'm buying a motor vehicle at an exceptionally low price. Do I pay sales tax on that price?

It depends. If you're buying the vehicle from a dealer, the dealer collects sales tax on the amount you actually paid, no matter how low. However, if you buy the vehicle from an individual, you pay use tax on the full value of the vehicle when you title and register it. The price shown on the bill of sale is normally considered the motor vehicle's full value. But, if that sale price seems unrealistic, the county is authorized to use the average retail price shown in the most recent [N.A.D.A. Official Used Car Guide](#) to compute the tax you must pay when you register your vehicle.

If I move to Idaho, do I need to pay Idaho sales tax on a vehicle that I bring with me?

If it's registered in another state, and you've already paid sales taxes on it, you don't have to pay Idaho sales tax. However, if your car is registered in a state that doesn't have sales tax (Oregon, Alaska, Montana, New Hampshire, or Delaware), and you haven't paid tax on the purchase of the vehicle, you must pay Idaho's tax unless you bought the car more than three months before you moved to Idaho. To claim this exemption, you must fill out Idaho State Tax Commission Three-Month Exemption Claim [Form ST-102](#) and give the completed form to the clerk when you title and register the vehicle.

What does the Idaho State Tax Commission consider a motor vehicle?

A motor vehicle is a car, bus, truck, motor home, or on-highway motorcycle that is required to be registered for use on public roads. Vehicles such as snowmobiles, boats, ATVs, and motorcycles intended for off-road use are not considered motor vehicles for Idaho sales tax purposes. (This definition is specific to sales/use tax. Other tax types may have a different definition.)

What is IFTA?

IFTA is the "International Fuel Tax Agreement." It's a cooperative agreement among the lower 48 states and all Canadian provinces to simplify the permitting and reporting of fuels use tax by interstate motor vehicle operators. Through IFTA, carriers can get their fuels tax license for all qualified motor vehicles and report their fuels use to their base jurisdiction for all jurisdictions that are IFTA members.

FAQ's - Continued

What should be on a bill of sale when paying sales tax?

A bill of sale should have the date, vehicle identification number (VIN), name of buyer, name of seller, and full amount paid for the motor vehicle. A bill of sale can be challenged if the purchase price is very low for the type of vehicle purchased.

What special rules apply to the purchase of "big ticket" items like boats, motorized vehicles, and aircraft?

Generally, if you are an Idaho resident and you buy a car or an RV from a dealer outside of Idaho, you will not be charged Idaho sales tax. Also, private parties who sell these vehicles do not collect tax. When you register a vehicle in Idaho, you pay the sales tax to the county assessor. However, you need to pay use tax directly to the state for other types of motorized vehicles, some boats, and aircraft that you buy out of state or from individuals. Be sure to make your use tax payment soon after you buy these items.

What's "fair market value," and how is it determined?

Fair market value is the price a motor vehicle would sell for on the open market. The Tax Commission accepts the retail values in the [N.A.D.A. Official Used Car Guide](#) as the fair market value.

When do I pay sales tax on my motor vehicle?

If you buy a vehicle from an Idaho dealer, the dealer collects sales tax when the sale occurs. If you buy the vehicle from an individual, you pay the sales tax when you title and register your vehicle at your local Department of Motor Vehicles. To register a vehicle purchased from a retailer who is not a dealer (such as a furniture store, pizza delivery restaurant, etc.), you must have proof that you already paid the sales tax.

When does a sale occur?

Sale means any transfer of title to tangible personal property for consideration. It includes exchange and barter.

The sale occurs when title passes. Unless otherwise agreed, title passes to the buyer when the seller delivers the goods, even if a title document is delivered at a different time or place.

[Ref: Idaho Code section 63-3612](#)

Idaho State Tax Commission
SALES TAX RESALE OR EXEMPTION CERTIFICATE

| | | | | | |
|---------------|-------|----------|--------------|-------|----------|
| Seller's Name | | | Buyer's Name | | |
| Address | | | Address | | |
| City | State | Zip Code | City | State | Zip Code |

1. Buying for Resale. I will sell, rent, or lease the goods I am buying in the regular course of my business.

- a. Primary nature of business _____ Describe the products you sell, lease, or rent _____
- b. Check the block that applies: ☐ Idaho registered retailer. Seller's permit number _____
☐ Wholesale only, no retail sales (required - see instructions)
☐ Out-of-state retailer, no Idaho business presence

2. Producer Exemptions (see instructions). I will put the goods purchased to an exempt use in the business indicated below.

Check the block that applies and complete the required information.

- ☐ Logging Exemption
☐ Broadcasting Exemption
☐ Publishing Free Newspapers
☐ Production Exemption (check one): ☐ Farming ☐ Ranching ☐ Manufacturing ☐ Processing ☐ Fabricating ☐ Mining

List the products you produce: _____

3. Exempt Buyer. All purchases are exempt, and no permit number is required. Check the block that applies.

- | | | | |
|--|---|---|---|
| <input type="checkbox"/> Advocates for Survivors of Domestic Violence and Sexual Assault, Inc. | <input type="checkbox"/> Center for Independent Living | <input type="checkbox"/> Nonprofit Children's Free Dental Service Clinic | <input type="checkbox"/> Senior Citizen Center |
| <input type="checkbox"/> American Indian Tribe | <input type="checkbox"/> Emergency Medical Service Agency | <input type="checkbox"/> Nonprofit Hospital | <input type="checkbox"/> State/Federal Credit Union |
| <input type="checkbox"/> American Red Cross | <input type="checkbox"/> Federal/Idaho Government Entity | <input type="checkbox"/> Nonprofit Museum | <input type="checkbox"/> Volunteer Fire Department |
| <input type="checkbox"/> Amtrak | <input type="checkbox"/> Forest Protective Association | <input type="checkbox"/> Nonprofit School | |
| <input type="checkbox"/> Blind Services Foundation, Inc. | <input type="checkbox"/> Idaho Foodbank Warehouse, Inc. | <input type="checkbox"/> Qualifying Health Organization (see instructions for list) | |
| | <input type="checkbox"/> Nonprofit Canal Company | | |

4. Contractor Exemptions (see instructions).

- a. Invoice, purchase order, or job number to which this claim applies _____
- b. City and state where job is located _____
- c. Project owner name _____
- d. This exempt project is: (check appropriate box)
☐ In a nontaxing state. (To qualify, materials must become part of the real property.)
☐ An agricultural irrigation project.
☐ For production equipment owned by a producer who qualifies for the production exemption.

5. Other Exempt Goods and Buyers (see instructions).

- | | |
|--|--|
| <input type="checkbox"/> Aircraft used to transport passengers or freight for hire | <input type="checkbox"/> Livestock sold at a public livestock market |
| <input type="checkbox"/> Aircraft purchased by nonresident for out-of-state use | <input type="checkbox"/> Medical items that qualify |
| <input type="checkbox"/> American Indian buyer holding Tribal I.D. No. _____ | <input type="checkbox"/> Pollution control items |
| This form doesn't apply to vehicles or boats. See instructions. | <input type="checkbox"/> Research and development goods |
| <input type="checkbox"/> Church buying goods for food bank or to sell meals to members | <input type="checkbox"/> Snowmaking/grooming equipment, or aerial tramway component |
| <input type="checkbox"/> Food bank or soup kitchen buying food or food service goods | <input type="checkbox"/> Other goods or entity exempt by law under the following statute (required: _____) |
| <input type="checkbox"/> Glider kits for IRP-registered vehicles | |
| <input type="checkbox"/> Heating fuel | |

Buyer: Read and sign. I certify that all statements I have made on this form are true and correct to the best of my knowledge. I understand that falsification of this certificate for the purpose of evading payment of tax is a misdemeanor. Other penalties may also apply.

| | | |
|--|-----------------------------|-------|
| Buyer's Signature | Buyer's Name (please print) | Title |
| Buyer's Federal EIN or Driver's License No. and State of Issue | | Date |

Seller: Each exemption a customer may claim on this form has special rules (see instructions). It's your responsibility to learn the rules. You must charge tax to any customers and on any goods that don't qualify for a claimed exemption and are taxable by law.

- This form may be reproduced.
- This form is valid only if all information is complete.
- The seller must keep this form.

Form ST-101 Instructions

1. BUYING FOR RESALE: Buyers must have an Idaho seller's permit number unless they are wholesalers who make no retail sales or out-of-state retailers with no Idaho business presence (e.g. physical location, representatives, or employees, etc.). An Idaho seller's permit number has nine digits. For example, 000123456. If the number contains an inappropriate number, such as a federal Employer Identification Number, the certificate isn't valid. To verify a seller's permit number, contact the Tax Commission or visit our Web site at tax.idaho.gov.

2. PRODUCER EXEMPTIONS: Businesses that produce products for resale can buy goods that are directly and primarily used in the production process without paying tax. Loggers, broadcasters, and publishers of newspapers that are free to the public (with at least 10% informational content, not ads) are granted a similar exemption. However, a seller must charge these buyers sales tax on any of the following:

- A hand tool with a unit cost of \$100 or less
- Transportation equipment and supplies
- Goods used in selling/distribution
- Janitorial or cleaning equipment or supplies
- Maintenance or repair equipment and supplies
- Office equipment and supplies
- Any licensed motor vehicle or trailer and parts
- Aircraft and parts
- Recreational vehicle (e.g. snowmobile, ATV, off-road motorcycle, camper, travel trailer)
- Goods that become improvements to real property (e.g. fence posts)

***Seller:** You may stamp or imprint a Producer Exemption Claim on the front of your invoice. If customers fill in their exemption claim on a stamped or imprinted statement each time you make an exempt sale to them, you don't have to keep a form ST-101 on file for them. Contact the Tax Commission to get the required language for the statement.*

3. EXEMPT BUYERS: These buyers are exempt from tax on all purchases.

Hospitals: Only licensed nonprofit hospitals qualify. Nursing homes or similar institutions don't.

Schools: Only nonprofit schools qualify, including colleges and universities; primary, secondary, and charter schools; and the Idaho Digital Learning Academy. Schools primarily teaching subjects like business, dancing, dramatics, music, cosmetology, writing, and gymnastics don't qualify. Auxiliary organizations, such as parent-teacher associations and alumni groups, don't qualify.

Museums: Only nonprofit museums qualify. A museum collects, preserves, and displays objects and information to help the public interpret the past and present and to explore the future. Examples include institutions that display science, history, art, and culture.

Centers for Independent Living: To qualify, nonresidential centers must be run by disabled persons and provide independent living programs to people with various disabilities.

Qualifying Health Organizations:

American Cancer Society
American Diabetes Association
American Heart Association
American Lung Association of Idaho
Arc, Inc., The
Arthritis Foundation
Children's Home Society of Idaho
Easter Seals
Family Services Alliance of Southeast Idaho
Idaho Community Action Agency
Idaho Cystic Fibrosis Foundation
Idaho Diabetes Youth Programs
Idaho Epilepsy League
Idaho Primary Care Association and its Community Health Centers
Idaho Ronald McDonald House
Idaho Women's and Children's Alliance
March of Dimes
Mental Health Association
Muscular Dystrophy Foundation
National Multiple Sclerosis Society
Rocky Mountain Kidney Association
Special Olympics Idaho
United Cerebral Palsy

Government: Only the federal government and Idaho state, county, or city government qualify. Sales to other states and their political subdivisions are taxable.

4. CONTRACTOR EXEMPTIONS: Three exemptions apply to contractors. In each case, a contractor must list the job location, project owner, and whether the exemption claim applies to a specific invoice or purchase order, or to all purchases for a specific job number.

Nontaxing State: Construction materials for a job in a nontaxing state are exempt from Idaho sales tax. This exemption applies only to materials that will become part of real property and only if the contractor isn't subject to a use tax or a similar tax in the other state. Jobs in Oregon, Montana, and Alaska qualify, as do some jobs in Washington.

Agricultural Irrigation: Irrigation equipment and materials for an agricultural irrigation project are exempt. An irrigation system for a golf course or a residence doesn't qualify.

Production Equipment: A contractor who installs production equipment for a producer/manufacturer can buy the materials for the equipment exempt from tax. This exemption doesn't apply to materials that become part of real property.

Form ST-101 Instructions - continued

5. OTHER EXEMPT GOODS AND BUYERS: If buyers claim an exemption that isn't listed on this form, they must mark the "other" block and list the section of the law that applies to the exemption, or the certificate isn't valid.

Aircraft Purchased by Nonresidents for Out-of-State Use: An aircraft sold to a nonresident is exempt if it will be immediately removed from Idaho and registered in another state and won't be stored or used in Idaho more than 90 days in any 12-month period. Aircraft kits and hang gliders don't qualify for this exemption. A business is a "nonresident" if it has no business presence in Idaho. A business with property in Idaho or employees working in the state, doesn't qualify.

Aircraft Used to Transport Passengers or Freight for Hire: Only aircraft purchased by an airline, charter service, air ambulance service, or air freight company qualify. Parts and repair and replacement materials for the exempt aircraft are also exempt. Examples of aircraft that don't qualify for this exemption are those used for recreational flights, aerial spraying, dumping, or logging.

American Indian: Sales to an enrolled Indian tribal member are exempt if the seller delivers the goods on the reservation. The buyer's Tribal Identification Number is required. For sales of vehicles or boats, use form ST-133, Sales Tax Exemption Certificate - Transfer Affidavit.

Church: A church may buy food to sell meals to its members or qualifying goods for its food bank without paying tax. Churches must pay tax on all other goods they buy to use.

Food Banks and Soup Kitchens: Food banks and soup kitchens may buy food or other goods used to grow, store, prepare, or serve the food exempt from sales tax. The exemption doesn't include licensed motor vehicles or trailers.

Heating Fuels: Heating fuels such as wood, coal, petroleum, propane, and natural gas are exempt when purchased to heat an enclosed building or a building under construction, or when used for cooking or water heating.

Livestock: Sales of cattle, sheep, mules, horses, pigs, and goats are exempt when sold at a public livestock market. Sales of other animals don't qualify.

Medical Items: Only the following medical goods qualify if a licensed practitioner will administer or distribute them: drugs, oxygen, insulin, syringes, prosthetic devices, durable medical equipment, dental and orthopedic appliances (including fillings), urinary and colostomy supplies, enteral and parenteral feeding equipment and supplies, hemodialysis and peritoneal dialysis drugs and supplies, and chemicals and equipment used to test or monitor blood or urine of a diabetic.

Pollution Control Items: The following items qualify: tangible personal property purchased to meet air or water quality standards of a federal or state agency; liners and reagents purchased to meet water quality standards; tangible personal property purchased to meet air or water quality standards and which become an improvement to real property of manufacturing, mining, farming, or toxic waste treatment and storage businesses; and "dry to dry transfer systems" used by the dry cleaning industry. The exemption isn't available for items used in treating drinking water, preventing soil erosion, in road construction, or in septic systems. Motor vehicles and buildings don't qualify. See Idaho Code section 63-3622X for more details.

Research and Development (R & D): Purchases of goods that are directly and primarily used to develop, design, manufacture, process, or fabricate a product or potential product qualify. Also, the Idaho National Laboratory and its contractors may claim an R & D exemption to buy goods directly and primarily used to advance scientific knowledge in areas that don't have a commercial application. Items that will become a part of real property don't qualify.

Snowmaking/Grooming Equipment, Aerial Tramway: The owner or operator of a downhill ski area with an aerial passenger tramway may buy parts, materials, and equipment that become a component part of the tramway and snow grooming and snowmaking equipment (and parts) for the slopes exempt from tax. An aerial tramway includes chair lifts, gondolas, T-bar and J-bar lifts, platter lifts, rope tows, and similar devices.

Idaho State Tax Commission
USE TAX EXEMPTION CERTIFICATE
NEW RESIDENT or MILITARY

| | | | |
|---|------|-------|--------------------|
| Name | | | |
| Address | | City | State |
| | | | ZIP Code |
| Vehicle / Vessel / Aircraft Description | | | |
| Year | Make | Model | VIN, HIN, N-NUMBER |
| | | | |

New Resident Exemption Claim

New residents don't have to pay use tax on a personal camper, boat, RV, aircraft, or motor vehicle if they owned the property more than three months before moving to Idaho. If they owned it less than three months before moving, the state presumes you bought it to use in Idaho, and the property is subject to Idaho use tax.

This exemption from use tax doesn't apply to people who lived outside the state temporarily due to a job assignment, to attend school, or for a similar reason, and are now moving "home".

I claim that this property is exempt from Idaho use tax because:

- I/we owned it at least three months before I moved to Idaho, and
- It isn't an asset of a corporation, S corporation, partnership, LLC, Sub-S corp., or any other separate entity.

Date purchased: _____ Date I/we moved to Idaho: _____

(This exemption applies only if ALL of the above statements are true.)

Military Exemption Claim

Military members temporarily assigned to this state and their spouses don't have to pay use tax on a personal camper, boat, RV, aircraft, or motor vehicle if they owned the property more than three months before moving to Idaho. If they owned it less than three months before moving, the state presumes they bought it to use in Idaho, and the property is subject to Idaho use tax.

I claim that this property is exempt from Idaho use tax because:

- I/we owned it at least three months before I moved to Idaho*, and
- It isn't an asset of a corporation, S corporation, partnership, LLC, Sub-S corp., or any other separate entity

Date purchased: _____ Date I/we moved to Idaho: _____

*Copies of military orders may be requested.

(This exemption applies only if ALL of the above statements are true.)

I certify that all statements I have made on this form are true and correct to the best of my knowledge. I understand that if I falsify this form, I may be subject to criminal prosecution. Other penalties may also apply. I understand that the claim is subject to further review by the Idaho State Tax Commission, and I may be required to provide documents to support the claims made on this form.

| | | | |
|-----------|--------------|--------------|------|
| Signature | Printed name | Phone number | Date |
| | | | |

Idaho State Tax Commission

Truck Camper, Transport Trailer, Office Trailer, and Untitled Boat Certificate

TO BE COMPLETED BY ANY PERSON REGISTERING OR LICENSING A TRUCK CAMPER, TRANSPORT TRAILER, OFFICE TRAILER, OR UNTITLED BOAT ON WHICH IDAHO SALES TAX WAS NOT PAID

| | | | |
|---------------------|--------------|------------------|--------------|
| (Please Print) | | (Please Print) | |
| New Owner's Name | | Seller's Name | |
| New Owner's Address | Phone Number | Seller's Address | Phone Number |
| City, State, Zip | | City, State, Zip | |

1. ITEM (check appropriate box)

- a. ☐ Truck Camper
- b. ☐ Transport Trailer (utility, horse, semi-trailer, etc.)
- c. ☐ Office Trailer
- d. ☐ Untitled Boat

2. DESCRIPTION OF ITEM

| | | | | |
|------|------|------|-------|--------------------|
| Year | Make | Type | Model | Identification No. |
| | | | | |

3. OCCASIONAL SALE EXEMPTION CLAIM:

If you have checked block 1 (b) or (c), this sale may qualify for an exemption. In order to claim an occasional sale exemption, the seller must complete the following sworn statement: "Under penalties of perjury, I swear that I sold this transport trailer or office trailer to the purchaser, that I have made no more than one other sale of any kind of tangible personal property within the last 12 months, and that I am not a dealer and do not have a dealer's license or seller's permit number."

| | | |
|---------------------|-------------------------|------|
| Signature of Seller | Driver's License Number | Date |
|---------------------|-------------------------|------|

If this exemption does not apply, continue to Line 4.

4. TAX COLLECTED BY COUNTY OR FINANCIAL INSTITUTION

I certify that the required sales tax has been paid to me by the new owner whose name appears on this form and will be sent by me to the Tax Commission.

State of Idaho
 County of _____ Company Name _____ Seller's Permit Number _____

| | |
|--|--|
| County Tax Assessor Employee Signature | Financial Institution Authorized Signature |
|--|--|

5. HOMEBUILT TRAILER

In order to obtain registration without payment of sales/use tax, the owner must complete the following sworn statement: "Under penalties of perjury, I swear that this trailer is constructed of parts upon which I have already paid sales tax."

| | |
|--------------------|------|
| Signature of Owner | Date |
|--------------------|------|

FORM ST-108 INSTRUCTIONS

Truck Camper, Transport Trailer, Office Trailer, and Untitled Boat Certificate

Idaho sales or use tax must be paid on the purchase or use in this state of every truck camper, transport trailer, office trailer, and untitled boat unless some exemption applies. You must furnish proof that a general sales/use tax was paid at the time you purchased the unit or claim the appropriate exemption.

This form must be completed on every initial application for license or registration of a truck camper, transport trailer, office trailer, or untitled boat.

Enter the name, address, and phone number of the new owner and the seller.

Line 1. Check the appropriate box.

Line 2. Provide the information requested.

Line 3. If you checked box 1 (b) or (c), your purchase may be exempt from Idaho sales/use tax. Certain purchases from occasional sellers are exempt from sales or use tax. An occasional seller is someone who is not regularly engaged in the business of making retail sales of tangible personal property or who does not make more than two sales of tangible personal property in a 12-month period. *To claim this exemption, the seller must read and sign the statement on Line 3.* The seller's driver's license number is required.

Line 4. This is to be completed by the county assessor's office or financial Institution collecting the required sales/use tax on taxable purchases. Financial Institutions completing this form must enter their company name, signature of authorized person, and their Idaho Seller's Permit number, if applicable.

Line 5. If you constructed a trailer and you paid sales/use tax on all the parts, sign the statement on Line 5.

Idaho State Tax Commission

SALES TAX EXEMPTION CERTIFICATE - VEHICLE/VESSEL

The buyer must complete this form and give it to the seller when claiming a tax exemption.

| | | | | | |
|----------------------------|------|-------|---------------|---------------------------------------|--|
| Buyer's Name | | | Seller's Name | | |
| Address | | City | State | Address | |
| Zip Code | | Phone | | City | |
| Zip Code | | Phone | | State | |
| VEHICLE/VESSEL INFORMATION | Year | Make | Model | Hull or Vehicle Identification Number | |

OUT-OF-STATE EXEMPTION FOR NONRESIDENTS

The purchase or lease of this vehicle or vessel is exempt from sales tax because:

- This vehicle is:

| | |
|---|---|
| <input type="checkbox"/> an automobile | <input type="checkbox"/> a snowmobile |
| <input type="checkbox"/> an on-highway motorcycle | <input type="checkbox"/> a vessel with motor regardless of length |
| <input type="checkbox"/> a truck | <input type="checkbox"/> a vessel without a motor, 11 feet or more in length* |
| <input type="checkbox"/> a trailer* | <input type="checkbox"/> an ATV |
| | <input type="checkbox"/> an off-highway motorcycle, and |
- I am not an Idaho resident and during any 12-month period, I will limit the storage or use of this vehicle/vessel in Idaho to 60 days or less, and
- I will take this vehicle to the state or country of _____ and will immediately license and title it there, if required, and
- My driver's license number is _____, issued by (state or country) _____.

*This exemption doesn't apply to UTV's, canoes, kayaks, truck campers, or inflatable boats (of any length) sold without a motor.

ORIGINAL - Idaho State Tax Commission, Tax Discovery Bureau, Box 36, Boise, Idaho 83722

COPY - Seller

INTERSTATE CARRIER EXEMPTION

The purchase or lease of this motor vehicle or trailer is exempt from sales tax because:

- ☐ Truck or Bus
- This motor vehicle will be immediately registered with a maximum gross weight of more than 26,000 pounds under the International Registration Program (IRP), and
 - This vehicle will be part of a registered fleet of vehicles which will operate _____% of its miles outside of Idaho, and
 - I understand that if the out-of-Idaho fleet mileage* drops below 10% for any registration year, I must pay use tax to the Tax Commission on the fair market value of this motor vehicle as of the last day of the registration period.
- ☐ Trailer
- This on-highway trailer will immediately become part of a fleet of vehicles registered under the International Registration Program (IRP), and
 - This fleet of vehicles will operate _____% of its miles outside of Idaho, and
 - I understand that if the out-of-Idaho fleet mileage* drops below 10% for any registration year, I must pay use tax to the Tax Commission on the fair market value of this trailer as of the last day of the registration period.

*An operator may have more than one IRP fleet. Each fleet is evaluated separately for compliance with the out-of-state mileage requirement.

ORIGINAL - County Assessor/Idaho Transportation Department

COPY - Seller

I certify that all statements I have made on this form are true and correct to the best of my knowledge. I understand that falsifying this certificate to evade paying tax is a misdemeanor. Other penalties may also apply.

| | | |
|--------------|-------------------|------|
| SIGN HERE >> | Buyer's Signature | Date |
| | | |

NOTE TO SELLER

Rule 128 states that if you don't receive an exemption certificate from the buyer at the time of sale, the sale is presumed to be taxable. If you receive an exemption certificate after the sale, but don't get it within a reasonable length of time, the Tax Commission will review the certificate with all other available evidence to determine whether you have clearly proven that the sale was exempt from tax.

- This form is valid only if all the information is complete.
- The seller must keep this form.
- This form may be reproduced.

Instructions for Form ST-104-MV

OUT-OF-STATE EXEMPTION FOR NONRESIDENTS

When a vehicle or vessel is purchased by a nonresident for use outside Idaho, it may qualify for an exemption from Idaho sales tax. Idaho residents may not claim this exemption. UTV's, Canoes, kayaks, truck campers, and inflatable boats sold without motors don't qualify for this exemption. The buyer must complete a form ST-104-MV (Sales Tax Exemption Certificate - Vehicle/Vessel) stating that the vehicle or vessel:

- Will *immediately* be taken out of Idaho and titled and registered in another state or country (if required), and
- Will limit its storage or use in Idaho to 60 days in any 12-month period.

INTERSTATE CARRIER EXEMPTION

If you're selling a motor vehicle for use in interstate commerce, a sales tax exemption is available if:

- The vehicle will be immediately registered with a maximum gross registered weight of more than 26,000 pounds under the International Registration Plan, and
- At least 10% of your customer's total fleet mileage is outside of Idaho.

Your customer must complete form ST-104-MV and acknowledge that, if his fleet mileage drops below the 10% out-of-state requirement in any subsequent registration year, the vehicles will be subject to use tax at that time.

The exemption applies only to purchases of trucks, buses, and trailers, not their repair or maintenance. However, the sale of a "glider kit" isn't taxable when used to assemble a glider kit vehicle that will be registered in an IRP fleet and will meet the weight and mileage requirements listed above.

Idaho State Tax Commission

SALES TAX EXEMPTION CERTIFICATE - TRANSFER AFFIDAVIT

This form must be completed and furnished to the county assessor or Idaho Transportation Department with the title to the vehicle being transferred. This form may also be used for boats and other vehicles which are registered with the county assessor.

| | | | | | | | |
|--------------------------|--|------|------|----------------------|--|------------------------------------|--|
| Name of Buyer/Recipient | | | | Name of Seller/Donor | | | |
| Address | | | | Address | | | |
| City/State/Zip Code | | | | Phone | | City/State/Zip Code | |
| Vehicle/boat Information | | Year | Make | Model | | Vehicle/boat Identification Number | |

I. FAMILY SALE AFFIDAVIT for MOTOR VEHICLES ONLY

We swear that this motor vehicle sale is exempt from sales tax because of the following family relationship between the buyer and seller.

☐ Parent/child
 ☐ Grandparent/grandchild
 ☐ Brother/sister

Yes No

Was sales tax paid by the seller at the time the seller acquired the vehicle? ☐ ☐

If NO, this exemption does not apply.

II. GIFT TRANSFER AFFIDAVIT for VEHICLES, BOATS, AND RVs

We swear that the transfer of this vehicle or boat is a gift and is exempt from sales tax. Answer the following questions regarding this gift:

Yes No

1. Is there a business relationship between the recipient and the donor? ☐ ☐
2. Is the recipient performing any services, contractual or otherwise, in exchange for this vehicle? ☐ ☐
3. Is the recipient transferring anything of value (including tangible personal or real property) to the donor in exchange for this vehicle? ☐ ☐
4. Is the recipient accepting or assuming any debts or liabilities belonging to the donor of the vehicle? ☐ ☐

If you answer "yes" to any of these questions, follow the instructions on the back of this form.

III. AMERICAN INDIAN TRANSFER AFFIDAVIT for VEHICLES, BOATS, AND RVs

We swear that the sale of this vehicle or boat is exempt from sales tax because it was sold and delivered within the boundaries of a Native American Indian reservation to an enrolled member of an Indian tribe.

The following information is required:

Enrolled member of _____ Indian Tribe.

Tribal Identification Number _____

Sale and delivery occurred within _____ Reservation.

IMPORTANT!! Read before signing. I certify that all statements I have made on this form are true and correct to the best of my knowledge. I understand that if I falsify this form, I may be subject to criminal prosecution.

| | |
|-------------------------------|---|
| Buyer's/Recipient's Signature | Seller's/Donor's Signature |
| Date | Date |
| Title, if applicable | Title, if applicable |
| | Drivers License or Taxpayer Identification Number |

INSTRUCTIONS

Idaho law requires that sales or use tax be paid whenever a certificate of title or registration is transferred. However, the law provides for certain exemptions to this requirement. This form (ST-133) is required to support sales tax exemptions listed below. It must be furnished to the county assessor or Idaho Transportation Department with the title or registration to the vehicle being transferred.

The seller must keep a copy of this affidavit on file.

I. FAMILY SALE AFFIDAVIT for MOTOR VEHICLES ONLY (Idaho Code Section 63-3622K and Sales Tax Rule 107)

Use this portion of the form to claim exemption from sales tax for sales of motor vehicles between family members. Sales between aunts, uncles, cousins, etc. do not qualify for the exemption. Only the relationships listed on the front of this form are eligible.

This exemption applies to cars, trucks, motor homes, and on-road motorcycles. (Only motorized on-road vehicles qualify.)

NO EXEMPTION APPLIES IF a sales or use tax was not paid by the seller at the time the seller acquired the motor vehicle.

If the motor vehicle is community property and the sellers are married, either spouse may sell the vehicle to a qualifying family member.

II. GIFT TRANSFER AFFIDAVIT for VEHICLES, BOATS, AND RVs (Sales Tax Rule 107)

This portion of the form is used to claim exemption from sales tax when a vehicle or boat is given as a gift by the owner. To qualify as a gift, no money, services or property can be exchanged between the donor and the recipient at any time with regard to this vehicle or boat.

If you answered "yes" to question 2, 3 or 4, this form does not apply and sales tax is due on the value of the vehicle or boat. If you answered "yes" to question 1, describe the circumstances here:

III. AMERICAN INDIAN - TRANSFER AFFIDAVIT for VEHICLES, BOATS, AND RVs (Sales Tax Rules 91 and 107)

American Indians may make purchases without paying sales tax IF the purchases are made within the boundaries of an Indian reservation. The seller must see proof of the fact that the buyer is an enrolled member of an Indian tribe. An identification card issued by the Indian tribe is acceptable proof. The identification number must be entered on the front of this form.

The sale and delivery of the vehicle or boat must occur within the Indian reservation. If the vehicle or boat is picked up by the buyer at a non-reservation location, sales tax is due on the vehicle or boat.

IV. SIGNING THIS FORM

The buyer/recipient and the seller/donor must sign this form for it to be valid.

In addition to signing the form, individual sellers/donors must include their driver's license number. Business sellers/donors must include a taxpayer identification number, such as the federal Employer Identification Number (EIN) or Idaho seller's permit number.

Idaho State Tax Commission

SALES TAX EXEMPTION CERTIFICATE - CAPITAL ASSET TRANSFER AFFIDAVIT

Take this form to the county assessor or Idaho Transportation Department with the title to the vehicle being transferred. This form may also be used for boats and other vehicles which are registered with the county assessor.

| | | | |
|--------------------------|-------|---------------------------|---|
| Name of Buyer/Recipient | | Name of Seller/Transferor | |
| Address | | Address | |
| Zip Code | Phone | Zip Code | Phone |
| Vehicle/boat Information | Year | Make | Model Vehicle/Boat Identification Number |

I. BULK SALE OF ON-GOING BUSINESS Vehicles, Boats, RVs, Snowmobiles, Aircraft.

Attach copy of Bill of Sale indicating purchase of business and assets.

Did the purchase represent all or substantially all of the operating assets of the business?

☐ Yes ☐ No

(If NO, this exemption does not apply.)

Will the purchaser be continuing this business in a like or similar manner?

☐ Yes ☐ No

(If NO, this exemption does not apply.)

See Back

II. CAPITAL ASSET SALE, LEASE, RENTAL for MOTOR VEHICLES and TRAILERS ONLY

Was sales tax paid by seller or a related party when acquiring the vehicle? ☐ Yes ☐ No

(If NO, this exemption does not apply.)

(If YES, provide name of related party who paid tax. _____)

Are all owners of the parties involved in this sale related by one or more of the following categories? Check all that apply.

☐ PARENT/CHILD ☐ GRANDPARENT/CHILD ☐ BROTHER/SISTER

☐ SAME OWNERS IN EACH BUSINESS

(If all owners do not meet at least one of these categories with respect to each of the other owners, this exemption does not apply.)

See Back

III. CAPITAL ASSET TRANSFER for Vehicles, Boats, RVs, Snowmobiles, Aircraft

Was sales tax paid at the time transferor acquired the vehicle? ☐ Yes ☐ No

(If NO, this exemption does not apply.)

Is this vehicle being transferred for anything of value other than a change in equity

(increase/decrease of shares/ownership)? ☐ Yes ☐ No

(If YES, this exemption does not apply.)

If this transaction is between corporations. See back for relationship requirements.

See Back

IMPORTANT!! Read before signing. I certify that all statements I have made on this form are true and correct to the best of my knowledge. I understand that if I falsify this form, I may be subject to criminal prosecution. I understand the Tax Commission may request documents to support the claims made on this form.

| | | | |
|-------------------------------|------|---------------------------------|------|
| Buyer's/Recipient's Signature | Date | Seller's/Transferor's Signature | Date |
| Title, if applicable | | Title, if applicable | |

INSTRUCTIONS

Idaho law requires that sales or use tax be paid whenever a certificate of title or registration is transferred. However, the law provides for certain exemptions to this requirement. This form (ST-133CATS) is required to support sales tax exemptions listed below. It must be furnished to the county assessor or Idaho Transportation Department with the title or registration to the vehicle, boat, aircraft, snowmobile or RV being transferred. For this form to be valid, signatures of both the seller and buyer are required.

I. BULK SALE

(Idaho Code Section 63-3622K(5) and Sales Tax Rule 099)

Use this portion of the form to claim exemption from sales/use tax for assets which are included in the sale of a business when the new owner will continue to operate the business.

This exemption applies to vehicles, motor vehicles, boats, RVs, snowmobiles, and aircraft.

II. CAPITAL ASSET SALE/LEASE

(Idaho Code Section 63-3622K(4) and Sales Tax Rule 099)

This portion of the form is used to claim exemption from sales tax when a motor vehicle or transport trailer is sold or leased as an asset of a business. Idaho sales/use tax must have been paid prior to this sale/lease.

All owners must be the same in each business or members of the same family related by blood or marriage within the 2nd degree (parent/child, grandparent/child, brother/sister - NOT aunts, uncles, cousins)

This exemption does not apply to aircraft, watercraft, ATVs, snowmobiles, or travel trailers.

III. CAPITAL ASSET TRANSFER

(Idaho Code Section 63-3622K(3) and Sales Tax Rule 099)

This portion of the form is used to claim exemption from sales tax when transferring tangible personal property to/from a business for nothing of value other than a change in equity (increase/decrease of stock or partner's equity).

Idaho sales/use tax must have been paid by the transferor prior to this transfer.

If the transfer is between corporations, the relationship must be as follows:

Parent Corporation to subsidiary*.

Subsidiary Corporation to parent or another subsidiary*.

* The parent corporation must own at least 80% of subsidiaries.



State Tax Commission

| Calculation of Taxable Sales Price | | Include | Don't Include | Code | Rule |
|---|--|---------|---------------|------------|--------------|
| Trade-In Allowance (Retailers only and on the same transaction) | | | X | 3613(b)(2) | 044(2) |
| Barter (Trades between individuals - each party owes tax on FMV of vehicle received) | | X | | 3612(1) | 044(3) |
| Retailer's Discounts or Rebates | | | X | 3613(b)(1) | 051(2)(b) |
| Manufacturer Rebate on motor vehicle (when used to reduce retail sales price) | | | X | 3613(b)(8) | 051(2)(d) |
| Manufacturer Rebate on motor vehicle (if <u>not</u> used to reduce retail sales price) | | X | | 3613(b)(8) | 051(2)(d) |
| Customer Down Payments (Cash or otherwise) | | X | | 3613(a) | |
| Dealer Documentation Fees | | X | | 3613(a) | 043 |
| Freight or Shipping Charges (when transporting vehicle to dealer's location prior to sale) | | X | | 3613(b)(7) | 061 |
| Auction Fees (Buyers Fee, Gate Fee, etc.) | | X | | 3613(a) | 043 |
| Optional Warranty or Service Contract (If separately stated on customer invoice) | | | X | | 049(5) |
| Finance Charges | | | X | 3613(b)(6) | 043 |
| Government Imposed Fees (Title and Registration fees) | | | X | 3622AA | |
| Federal Excise Tax (Heavy Vehicle Use Tax) | | | X | | 060(2) |
| Federal Excise Tax (Those imposed on manufacturer or wholesaler) | | X | | | 043 & 060(1) |
| Manufacturer Warranty | | X | | 3613(a) | 049(4) |
| Services agreed to be performed as a condition of the sale (Alignments, Repairs, Protectants, etc.) | | X | | 3613(a) | 043 |
| Insurance Settlements | | X | | | 044(4) |
| Theft Deterrent Systems | | X | | | |

IDAHO

State Tax Commission

Available Exemptions

| | Production Exemption (Title Only) 101 | New Resident Exemption 102 | Non Resident * 104-MV | Interstate Carrier ★ 104-MV | Occasional Sale 108 | Family Sale 133 | Gift 133 | Indian (Reservation Delivery) 133 | Bulk Sale 133CATS | Capital Asset Sale/Lease 133CATS | Capital Asset Transfer 133CATS |
|---|--|-------------------------------------|-----------------------------|-----------------------------------|---------------------------|-----------------------|-------------|--|-------------------------|---|---|
| Motor Vehicles | | | | | | | | | | | |
| Recreational Vehicles (ATV's - Off-Highway Motorcycles - Snowmobiles - Camp Trailers - Etc.) | X | X | X | | | X | X | X | X | X | X |
| UTV's | X | X | | | | | X | X | X | | X |
| Campers - Canoes - Kayaks - Inflatable Vessels sold w/o motor | | X | | | | | X | X | X | | X |
| Vessels w/attached motor - regardless of length | X | X | X | | | | X | X | X | | X |
| Vessels w/o motor - 11 feet or more in length | X | X | X | | | | X | X | X | | X |
| Qualifying IRP Vehicles (Trucks - Trailers - Buses) | | | | X | | | | | | | |
| Transport Trailer (Utility - Horse - Semi - Etc.) | X | X | X | | X | | X | X | X | X | X |
| Office Trailer | | ? | X | | X | | X | X | X | | X |

Notes:

* = Vehicle or vessel must be immediately taken out of state and titled/registered in another state and will not stored or used in Idaho more than 60 days in any 12 month period.
 ★ = Must be immediately IRP registered with maximum gross vehicle weight over 26,000 pounds and at least 10% of fleet mileage is outside of Idaho.

| | | | | | | | | | | | |
|------|-------------------|----------------|---------------------|---------------------|--------------------------|--------------------|--------|-------------|--|-------------------------------|-----------------------|
| Code | 3622D & HH 078 | 3621(k) 107 | 3622R(a) 107(10) | 3622R(d) 107(11) | 3622K(c) & (d) 099(7) | 3622K(c) 099(4) | 107(2) | 091, 107(8) | 3622K(b)(2) 099(2) & (3), 107(9) | 3622K(b)(3) 099(6), 099(9) | 3622K(b)(4) 099(5) |
| Rule | | | | | | | | | | | |

Other exemptions may also apply. Refer to the instructions on Form ST-101 for more information

107. VEHICLES AND VESSELS -- GIFTS, MILITARY PERSONNEL, NONRESIDENT, NEW RESIDENT, TAX PAID TO ANOTHER STATE, SALES TO FAMILY MEMBERS, SALES TO AMERICAN INDIANS, AND OTHER EXEMPTIONS (RULE 107).

01. In General. This rule discusses specific topics relating to motor vehicles including gifts, military personnel, and exemptions. Refer to Rule 106 of these rules for general information on purchases, sales, rentals, and leases of motor vehicles. (3-6-00)

02. Gifts of Motor Vehicles. When the following facts clearly establish that a motor vehicle is being transferred as a gift from the titleholder to another, the vehicle can be transferred tax exempt if: (7-1-93)

- a. No money, services, or other consideration is exchanged between the donor and recipient at any time.
- b. The recipient assumes no indebtedness. (7-1-93)
- c. The relationship of the donor and recipient indicates a basis for a gift. (7-1-93)
- d. The donor and recipient complete and sign a Sales Tax Exemption Certificate-Transfer Affidavit, Form ST-133, and submit it to the county assessor or the Idaho Transportation Department along with the title to the vehicle being transferred. If the donor is unable to sign the affidavit: (2-18-02)
 - i. A letter stating the vehicle is a gift, and signed by the donor, may be accepted by the county assessor or his representative and attached to the affidavit; or (2-18-02)
 - ii. The title may be marked as a gift and signed by the donor. (3-4-10)

03. Nonresidents. (3-30-07)

a. A nonresident does not owe use tax on the use of a motor vehicle which is purchased outside of Idaho and titled or registered under the laws of another state or nation, is not used in Idaho more than ninety (90) days in any consecutive twelve (12) months pursuant to Section 63-3621(k), Idaho Code, and is not required to be registered or licensed under Idaho law. For purposes of this Subsection (107.03.a.), a motor vehicle is considered to have been used in Idaho for a day when it is present in this state for more than sixteen (16) hours during any twenty-four (24) hour period. This exemption applies only to nonresidents. A limited liability company (LLC) or other legal entity formed by an Idaho resident under the laws of another state primarily for the purpose of purchasing and owning one (1) or more motor vehicles is not a nonresident. The use of a vehicle owned by such an entity will be subject to use tax upon its first use in Idaho. (4-2-08)

b. For the purposes of this rule, a corporation, partnership, limited liability company, or other organization will be considered a nonresident if it is not formed under the laws of the state of Idaho, is not required to be registered to do business with the Idaho Secretary of State, does not have significant contacts with this state and does not have consistent operations in this state. (3-29-12)

c. A nonresident college student does not owe use tax on any use of a motor vehicle while enrolled as a full-time student in a college or university located in Idaho. The motor vehicle must be registered under the laws of the student's state of residence. The motor vehicle must be owned by the student or a family member of the student. The college or university must be accredited by the Idaho State Board of Education. (3-29-12)

04. New Residents. A new resident of Idaho or military personnel temporarily assigned to Idaho and their spouses do not owe tax on the use of household goods, personal effects, vehicles, vessels, and aircraft if they are personally owned and acquired while residing in another state and used primarily outside Idaho. If a vehicle owner obtained a registration or title from another state or nation of residence more than three (3) months before moving to Idaho, this is proof that the vehicle was primarily for use outside Idaho. New residents entering Idaho with a vehicle titled in a state that does not impose a general sales and use tax will be required to complete and sign a Three Month Exemption Claim Form ST-102 and submit it to the Idaho Transportation Department or county assessor when applying for a title transfer. (3-29-12)

a. If the vehicle was acquired less than three (3) months before the buyer moved to Idaho, it is presumed that it was acquired for use in this state. (7-1-93)

b. Exclusion from the tax applies only to vehicles and aircraft owned by an individual. A privately owned vehicle or aircraft is one that is owned by, and titled to, a private individual or individuals. (3-4-10)

05. Military Personnel. Military personnel receive no special exemption from the Idaho sales and use tax regarding motor vehicles or other tangible personal property purchased while temporarily assigned in this state. A military person whose home of record is Idaho is considered to be a resident of this state. (3-29-12)

06. Tax Paid to Another State. When a general retail sales tax has been properly imposed by another state or political subdivision of a state of the United States in an amount equal to or greater than the amount due Idaho, no Idaho tax is due. The credit for state and local taxes paid in another state will be applied first to the state sales tax due and the remainder, if any, will be applied to any local taxes due. (3-30-07)

a. If the amount paid to the other state is less, Idaho tax is due to the extent of the difference, unless some other exemption applies. The owner must provide evidence that the tax was paid to the other state. A registration certificate or title issued by another taxing state is sufficient evidence that tax was imposed at the other state's tax rate. (7-1-93)

b. Example: A resident of another state buys a vehicle in that state for ten thousand dollars (\$10,000) two (2) months before moving to Idaho. He presents his title from the other state to an Idaho county assessor. Since he acquired the vehicle only two (2) months before entering Idaho, no exemption applies. The tax paid to the other state was three hundred dollars (\$300) when the vehicle was purchased. Credit for this amount is allowed against the five hundred dollars (\$500) tax due Idaho. The assessor will collect two hundred dollars (\$200) tax. (4-2-08)

c. Example: A resident of another state purchased a vehicle two (2) months before moving to Idaho. The applicant paid four percent (4%) state sales tax, one and six tenths percent (1.6%) city sales tax, and one and six tenths percent (1.6%) county sales tax. The total general sales tax paid was seven and two tenths percent (7.2%). Since the Idaho tax rate is lower, no tax is due Idaho because the amount of tax paid to the other state exceeds the amount owed Idaho. (4-2-08)

d. Example: A resident of Alaska purchases a vehicle immediately prior to moving to Idaho. The purchaser paid a three percent (3%) city sales tax in Alaska. When the purchaser moves to Idaho, credit will be given for the local tax paid against the Idaho state use tax due. (3-30-07)

e. A registration certificate or title issued by another taxing state is proof that tax was paid to the other taxing state. This does not apply to states that do not have a tax, such as Montana and Oregon, or when a state has exempted the motor vehicle from tax. (7-1-93)

f. Example: A church buys and titles a vehicle in Utah. The Utah sales tax law exempts the purchase of the vehicle from sales tax. The church later titles the vehicle in Idaho. Sales tax must be paid on the fair market value of the vehicle when it is titled in Idaho. (7-1-93)

g. Taxes paid to another nation cannot be offset against the taxes owed to Idaho. (7-1-93)

07. Sales to Family Members. The tax does not apply to sales of motor vehicles between members of a family related within the second degree of consanguinity. The second degree of consanguinity means only the following blood or formally adopted relatives of the person making the sale: parents, children, grandparents, grandchildren, brothers, and sisters. Relatives of the second degree of consanguinity do not include persons who are related only by marriage. However, when the motor vehicle sold is community property, and it is sold to a person who is related within the second degree of consanguinity to either spouse, the sale is exempt from tax. (7-1-93)

a. The Sales Tax Exemption Certificate-Transfer Affidavit, Form ST-133, is used to document this exemption. The seller and buyer must complete and sign Form ST-133 and submit it to the Idaho Transportation Department or county assessor along with the title to the vehicle being transferred. If the seller is unable to sign the affidavit a letter from the seller stating the sale was made to a qualified family member may be accepted by the county assessor or his representative and attached to the affidavit. (2-18-02)

b. This exemption does not apply if the seller did not pay tax when he acquired the vehicle. (7-1-93)

c. Example: An Oregon resident buys a vehicle and titles it in Oregon without paying sales or use tax. Later, he sells the vehicle for ten thousand dollars (\$10,000) to his son who is an Idaho resident. No exemption applies, since the father did not pay a sales or use tax when he acquired the vehicle. The son is required to pay Idaho use tax on the ten thousand dollar (\$10,000) purchase price of the vehicle. (4-11-06)

08. Sales to American Indians. An enrolled American Indian tribal member may buy a motor vehicle exempt from tax if the sale and delivery of the vehicle is made within the boundaries of the Indian Reservation. The Sales Tax Exemption Certificate-Transfer Affidavit, Form ST-133, is used to document this exemption. The seller and the buyer must complete and sign Sales Tax Exemption Certificate - Transfer Affidavit Form ST-133 including the name of the tribe, Tribal Identification Number and the name of the Reservation upon which the sale and delivery occurred. The affidavit is then given to the Idaho Transportation Department or county assessor along with the title to the vehicle being transferred. (2-18-02)

09. Bulk Sale Transfers. A transfer or sale of a motor vehicle as part of a bulk sale of assets or property, as defined by Rule 099 of these rules, is exempt from tax. The buyer must complete and sign Sales Tax Exemption Certificate -- Capital Asset Transfer Affidavit Form ST-133CATS to present to the Idaho Transportation Department or county assessor when applying for transfer of title. The buyer must attach a copy of the sales agreement showing the sale qualifies for the exemption on the Form ST-133CATS. (2-18-02)

10. Vehicles and Vessels Purchased in Idaho by Nonresidents for Use Outside Idaho. (5-3-03)

a. Sales to nonresidents of motor vehicles, trailers, vessels, all-terrain vehicles (ATVs), off-highway motorcycles, and snowmobiles for use out of this state, even though delivery is made within this state are exempt from tax when: (5-3-03)

i. The motor vehicles, vessels, ATVs, trailers, off-highway motorcycles, and snowmobiles will be taken from the point of delivery in this state directly to a point outside this state; and (5-3-03)

ii. The motor vehicles, vessels, ATVs, trailers, off-highway motorcycles, and snowmobiles will be registered immediately under the laws of another state or country and will be titled in that state or country, if required to do so by that state or country and will not be used in Idaho more than sixty (60) days in any twelve-month period. (5-3-03)

b. To claim the exemption, the buyer must provide the seller a completed and signed Sales Tax Exemption Certificate - Vehicle/Vessel Form ST104-MV. (5-3-03)

c. This exemption does not apply to sales of truck campers or to the sales of canoes, kayaks, or inflatable boats regardless of length when sold without a motor. (5-3-03)

d. For purposes of Subsection 107.10 of this rule, an ATV means any recreational vehicle with three (3) or more tires, weighing under nine hundred (900) pounds, fifty (50) inches or less in width, having a wheel base of sixty-one (61) inches or less, has handlebar steering, and a seat designed to be straddled by the operator. (3-4-10)

e. For purposes of Subsection 107.10 of this rule, a vessel means any boat intended to carry one (1) or more persons upon the water which is either: (3-20-04)

i. Sold together with a motor; or (5-3-03)

ii. Eleven (11) feet in length or more, not including canoes, kayaks, or inflatable boats unless such canoe, kayak, or inflatable boat is sold together with attached motor. (5-3-03)

f. For the purposes of Subsection 107.10 of this rule a trailer must meet the definition of either "trailer" or "utility trailer" found in Sections 49-121 and 49-122 Idaho Code, which is a vehicle without motive power designed for carrying persons or property and for being drawn by a motor vehicle. The term "trailer" includes the specific types of trailers defined in Sections 49-121(6)(a) through 49-121(6)(h), Idaho Code. (4-2-08)

g. To qualify for this exemption the purchaser must be a nonresident of Idaho. An Idaho resident may form an LLC or other legal entity under the laws of another state. If such an LLC or other entity is formed primarily for the purpose of owning one (1) or more motor vehicles it is not a nonresident. The purchase or use of a motor vehicle in Idaho by such an entity is taxable. (3-30-07)

11. Motor Vehicles and Trailers Used in Interstate Commerce. The sale of motor vehicles with a maximum gross registered weight of over twenty-six thousand (26,000) pounds and trailers are exempt from sales or use tax when they are purchased to become part of a fleet of vehicles registered under the International Registration Plan, or similar proportional or pro rata registration system, and they will be used in interstate commerce with at least ten percent (10%) of the fleet miles operated outside this state. The owner must complete and sign the Sales Tax Exemption Certificate - Vehicle/Vessel Form ST-104MV, and provide it to the seller, the Idaho Transportation Department or the county assessor when applying for title transfer. See Rule 101 of these rules. (5-3-03)

12. Related Party Transfers and Sales. Certain transfers and sales of motor vehicles between businesses defined as related parties are exempt from tax. Refer to Rule 099 of these rules. The new owner must complete and sign Sales Tax Exemption Certificate - Capital Asset Transfer Affidavit Form ST-133CATS to submit to the Idaho Transportation Department or county assessor when applying for title transfer. (2-18-02)

108. MOTOR VEHICLES MANUFACTURER'S, RENTAL COMPANY'S, AND DEALER'S PURCHASE OR USE OF MOTOR VEHICLES (RULE 108).

01. Purchases of Motor Vehicles for Resale. Licensed motor vehicle dealers, motor vehicle rental companies, and manufacturers of motor vehicles may purchase motor vehicles tax exempt when the vehicles are held for resale or rental and are used for no purpose other than retention, demonstration, or display while holding the vehicles for sale or rental in the regular course of business. Purchases of parts that will be installed on vehicles held in a resale inventory are exempt from sales tax. (2-18-02)

02. Titling a Motor Vehicle. Under the Sales Tax Act, no motor vehicle may be titled without documentation establishing that any sales or use taxes which may be due have been paid. However, certain vehicles may be titled by dealers and rental companies with no tax applying. (7-1-93)

a. Motor vehicle rental companies may title and register motor vehicles held in their rental inventory in their company name with no tax applying. (7-1-93)

b. Idaho dealers may title motor vehicles held for resale in their dealer name to ensure clear title to the vehicle. However, the vehicle cannot be registered in the dealer's name. If the dealer applies for registration, tax applies. (2-18-02)

03. Dealer Plates. Any vehicle upon which a dealer's plate may be lawfully displayed, as provided by Sections 49-1627 and 49-1628, Idaho Code, shall be considered, for purposes of the Sales Tax Act, to be inventory held for sale and not subject to sales or use tax. If any use of a vehicle displaying a dealer plate requires that the dealer provide the user with a compensation form for federal income tax purposes, the amount so reported is subject to the use tax. The use tax must be paid by the dealer in the month immediately following the issuance of the compensation form. The unauthorized use or display of a dealer's plate on the motor vehicle which is otherwise required to be titled or licensed under the laws of the state of Idaho shall subject the dealer to a use tax liability. (2-18-02)

04. Service Vehicles. Vehicles, such as work or service vehicles, which are not held in stock for sale or rental are subject to sales or use tax at the time of their purchase. The use tax shall be reported and paid on the sales tax return relating to the period during which the vehicle was purchased. In titling the vehicle, the motor vehicle dealer may report his seller's permit number to the county assessor or Department of Transportation as evidence that sales or use tax has been paid. (7-1-93)

05. Inventory Withdrawals by Dealers. Motor vehicle dealers may withdraw motor vehicles from inventory and put them to a use for which a dealer's plate is not authorized. Such vehicles must be titled and licensed. Vehicles which are required to be titled and licensed are subject to tax. The taxpayer may choose one (1) of two (2) methods for reporting the tax: (7-1-93)

a. At the time the vehicle is withdrawn from resale inventory, the taxpayer may report and pay use tax on his acquisition cost. (2-18-02)

b. During each month or part of a month during which a motor vehicle is held for purposes other than resale, the taxpayer may report and pay use tax on a reasonable monthly rental value. A reasonable monthly rental value shall be an amount equal to rentals actually charged for vehicles of like or similar make and model when such vehicles are leased or rented by the taxpayer or by other persons in the community in the business of leasing or renting such vehicles. (7-1-93)

06. Inventory Withdrawals by Rental Companies. Motor vehicle rental companies that withdraw motor vehicles from their rental inventory and put them to a use subject to use tax may elect either method of reporting tax discussed in Subsection 108.05. (7-1-93)

07. Applicability of Rule 108. The provisions of this rule apply only to motor vehicle dealers or manufacturers licensed as such by the Department of Transportation, and to companies engaged in the business of renting motor vehicles without operators. (2-18-02)