

**WEST VIRGINIA
SECRETARY OF STATE
NATALIE E. TENNANT
ADMINISTRATIVE LAW DIVISION**

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OFFICE WEST VIRGINIA
SECRETARY OF STATE

Form #6

**NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED
BY THE WEST VIRGINIA LEGISLATURE**

AGENCY: Division of Motor Vehicles TITLE NUMBER: 91

AMENDMENT TO AN EXISTING RULE: YES ☐ NO ☒

IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: 91 CSR 9

TITLE OF RULE BEING PROPOSED: Collection of Tax on the Sale of a Motor Vehicle

THE ABOVE RULE HAS BEEN AUTHORIZED BY THE WEST VIRGINIA LEGISLATURE.

AUTHORIZATION IS CITED IN (house or senate bill number) SB 291

SECTION WVa Code §64-8-1(b), PASSED ON March 13, 2010

THIS RULE IS FILED WITH THE SECRETARY OF STATE. THIS RULE BECOMES EFFECTIVE ON THE
FOLLOWING DATE: July 1, 2010



Authorized Signature



WEST VIRGINIA
DEPARTMENT OF TRANSPORTATION
1900 Kanawha Boulevard East • Building Five • Room 109
Charleston, West Virginia 25305-0440 • 304/558-0444

Joe Manchin III
Governor

April 15, 2010

The Honorable Natalie Tennant
Secretary of State
State Capitol Building
Charleston, WV 25305

Dear Madam Secretary:

The Commissioner of Motor Vehicles is hereby authorized to promulgate proposed amendments to 91 CSR 9 Collection of the Tax on the Sale of a Vehicle. The promulgation of this rule was approved by the Legislature and the authorizing legislation was signed by the Governor (Senate Bill 291).

Comments and concerns about the contents of this rule should be directed to the Commissioner of Motor Vehicles. Thank you for your assistance in this matter.

Sincerely

A handwritten signature in cursive script that reads "Paul A. Mattox, Jr.".

Paul A. Mattox, Jr., P.E.
Secretary of Transportation\
Commissioner of Highways

PAM:sd
Enclosure



WEST VIRGINIA DEPARTMENT OF TRANSPORTATION

Division of Motor Vehicles

5707 MacCorkle Avenue, Southeast

Post Office Box 17300

Charleston, West Virginia 25317-0010 • 304/558-3900

TDD 1-800-742-6991 • 1-800-642-9066

Joe Manchin III
Governor

Promulgation History

91 CSR 9

Collection of Tax on the Sale of a Vehicle

Rule Cite:	91 CSR 9
Rule Type:	Legislative
Initial Filing:	September 24, 2009
Filed as Emergency Rule	September 9, 2009
Public Comment Period Expiration:	October 26, 2009
Filing Agency Approved Rule:	October 29, 2009
Filing Agency Modified Rule:	N/A
Authorization by Legislature:	SB 291, WV Code §64-8-1(b)
Final Filing:	April 15, 2010
Effective Date:	July 1, 2010

A handwritten signature in black ink, appearing to read "Joe E. Miller", is written over a horizontal line.

Joe E. Miller
Commissioner of Motor Vehicles

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TITLE 91
WEST VIRGINIA LEGISLATIVE RULES
DIVISION OF MOTOR VEHICLES
SERIES 9
COLLECTION OF TAX ON THE SALE OF A VEHICLE

OFFICE WEST VIRGINIA
SECRETARY OF STATE

§91-9-1. General.

1.1. Scope – This legislative rule establishes the criteria for the collection and determination of the sales tax required to be collected prior to the issuance of a certificate of title to a vehicle, and provisions implementing the requirements of House Bill 2775 (2007 Regular Session).

1.2. Authority–W. Va. Code§17A-2-9,§17A-3-4 and§11-15-3c.

1.3. Filing Date- April 15, 2010

1.4. Effective Date- July 1, 2010

§91-9-2. Application and Enforcement.

2.1. Application– This rule applies to the calculation of tax for the titling of vehicles defined in W. Va. Code§17A et seq.

2.2. Enforcement– Enforcement of this rule is vested with the Commissioner of Motor Vehicles or his or her lawful designees, and where applicable the Tax Commissioner or his or her lawful designees.

§91-9-3 Determination of Tax Due Prior to Issuance of Title to a Vehicle.

3.1. An application for a certificate of title for a vehicle shall be accompanied by the amount of tax determined by the Division in accordance with the provisions of W.Va. Code§11-15-3c, §17A-3-4 and this rule unless otherwise exempt by the provisions of W.Va. Code§11-15-3c,§17A-3-4 or this rule.

3.2. The Division shall collect the sales tax prior to issuing a title irrespective of whether the applicant has paid a similar sales or privilege tax on the motor vehicle in any other jurisdiction except as follows:

3.2.a. A new resident establishing domicile in West Virginia is exempt from paying the tax on vehicles titled previously in the former state in his or her name in accordance with W. Va. Code §17A-3-4(b)(14) and W. Va. Code §11-15-3c(f)(8).

3.2.a.1. For the purposes of this rule, the term new resident may mean a person or business entity and may include applicants who may have previously resided or operated as a business entity in West Virginia; and

3.2.a.2. For the purposes of compliance with this rule by a new resident applicant, the responsibility of the County Assessor is limited to determining that the County Assessor has recorded the applicant's vehicle information in accordance with W. Va. Code §17A-3-4(b)(14) and W. Va. Code §11-15-3c(f)(8).

3.3. The sales tax on a new vehicle shall be determined at the rate of five percent (5%) of the actual purchase price or consideration as certified by the dealer and as provided by the selling dealer to the purchaser. The dealer shall collect the sales tax at the time of sale.

3.4. The sales tax on a used vehicle purchased from a dealer shall be determined at the rate of five percent of the actual purchase price or consideration as certified by the dealer and as provided by the selling dealer to the purchaser. The dealer shall collect the tax at the time of sale.

3.5. The sales tax on applications for title on a vehicle purchased from a dealer either in state or out of state is based on the purchase price minus any applicable trade-in subject to the following:

3.5.a. The trade in vehicle must be titled in West Virginia; and

3.5.b. Rebates received after the sale is consummated do not reduce the taxable purchase price.

3.6. The sales tax on applications for title on a vehicle purchased from a person or business not licensed as a dealer by this state or another jurisdiction is assessed as follows:

3.6.a. Vehicles two model years old or less are assessed on the present fair market value as shown in the most recent edition of a nationally distributed and recognized vehicle value guide as determined by the Division regardless of a bill of sale;

3.6.b. Vehicles over two model years old are assessed on the sale price as certified by the seller and buyer on the back of the title or on a notarized bill of sale, if the purchase price is fifty percent (50%) or more of the fair market value as shown in the most recent edition of a nationally distributed and recognized vehicle value guide as determined by the Division; and

3.6.c. Vehicles over two model years old with a sale price of less than fifty percent (50%) than the fair market value as shown in the most recent edition of a nationally distributed and recognized vehicle value guide as determined by the Division are assessed on the fair market value unless accompanied by a notarized bill of sale which may be subject to verification by the Division.

3.7. The minimum taxable value of a vehicle is five hundred dollars (\$500) regardless of the indicated actual sale price on either the application for title, the back of the title or a notarized bill of sale, except as follows:

3.7.a. The minimum taxable value of vehicles that are branded reconstructed or salvage, classified as small utility trailers (Class T), motorboats less than 16 foot, welfare to work or similar type program vehicles, assembled vehicles and trailers, travel campers (Class R), and older vehicles no longer included in editions of nationally distributed and recognized vehicle value guides as determined by the division, is one hundred dollars (\$100);

3.7.b. Transactions between individuals (casual sales) characterized as “even trades” are not taxed provided that the vehicle has been previously titled in West Virginia as a taxable transaction regardless of the fair market value of either vehicle. Transactions between individuals (casual sales) involving a trade with a net difference after trade-in are assessed on the difference. The only deduction applicable to reduce the taxable value is high mileage based on a nationally distributed and recognized vehicle value guide deduction for high mileage. The Division will accept a fair market value determination based on another nationally distributed and recognized vehicle value guide if the applicant provides a copy of the other value guide; and

3.7.c. The Division will base the sales tax assessment on vehicles branded as salvage or similar brand or previously branded by West Virginia based on fifty percent (50%) of the fair market value as determined by the most recent nationally distributed and recognized vehicle value guide used by the Division.

3.8. The sales tax does not apply to transfer of ownership without consideration such as gifts, donations, or an inheritance. The application for title for any transfer of ownership without consideration shall include a notarized affidavit on a form prescribed by the Commissioner. Both the transferor and transferee shall sign the affidavit under penalty of false swearing.

3.9. The sales tax does not apply to vehicles to be registered as Class H vehicles or Class M vehicles used in interstate commerce. The tax does not apply to Class B vehicles registered at a gross weight of fifty-five thousand pounds or more, or to Class C semitrailers, full trailers, pole trailers and converter gear. However, if an owner of a vehicle has previously titled the vehicle at a declared gross weight of fifty-five thousand pounds or more and the title was issued without the payment of the tax imposed by this section, then before the owner may obtain registration for the vehicle at a gross weight less than fifty-five thousand pounds, the owner shall surrender the

exempted registration, the exempted certificate of title and pay the tax imposed by this section based upon the current market value of the vehicle.

3.10. Any application for transfer of ownership which provides incorrect, false or fraudulent information about the consideration exchanged, subjects the applicant to the revocation, suspension and/or cancellation of any and all driver's licenses, registration plates, cards, and permits issued to the applicant in accordance with West Virginia Code §17A-2-16. Any revocation, suspension and/or cancellation remains in effect until the appropriate sales tax is remitted and all reinstatement fees are paid.



Natalie E. Tennant

Secretary of State
State of West Virginia

Office of the Secretary of State
Building 1, Suite 157-K
1900 Kanawha Boulevard, East
Charleston, WV 25305

Telephone: (304) 558-6000
Toll Free: 1-866-SOS-VOTE
Fax: (304) 558-0900
www.wvsos.com

April 7, 2010

Steven O. Dale
Motor Vehicles
Building 3, Room 319
Capitol Complex
Charleston, WV 25317

SB 291 passed the Legislature on **March 13, 2010** and is awaiting the Governor's signature authorizing **Title 91, Series 9, Collection of Tax on the Sale of a Motor Vehicle.** *We will notify you after the Governor signs this bill.*

You have sixty (60) days after the Legislature passed **SB 291** to final file the legislative rule with the Secretary of State's office. To final file your legislative rule, fill in the blanks on form #6, "Final Filing", and file the form with your rule in our office. For your convenience, the forms are now available on the Internet at <http://www.sos.wv.gov/administrative-law/formsandformats/Documents/al6.pdf>. You may fill out the form online and print it. Authorization for your legislative rule is cited in **SB 291, Section §64-8-1(b)**. The effective date of the legislative rule may be set from the date it is final filed up to ninety (90) days from the date the legislative rule is final filed with the Secretary of State's office. Please have an authorized signature on the bottom line.

*****IMPORTANT:** When your agency completes the legislative rule in word or wordperfect compatible format, **you must submit a clean copy with all underlines and strike-throughs** to our office when final filing the rule. Remember, the text of the electronically filed rule **must be** identical word for word, comma for comma, as the paper copy authorized by the legislature. **Notice: All electronic filings not complying with this will be rejected and sent back to the agency to be resubmitted!**

After the final rule is entered into the database, the rule will be sent back to the agency for review and proofing. The agency has ten (10) working days to send a confirmation or corrections to the Secretary of State. **If the agency fails to return this within ten (10) working days, the rule WILL be filed in the database with a disclaimer attached stating that the agency failed to review the rule.** Following confirmation, corrections or failure to review, as the case may be, the Secretary of State shall submit to the agency a final version of the rule for their records.

If you have any questions or need any assistance, please do not hesitate to contact our office.

Thank you,
Administrative Law Division