

**New York State Department of Taxation and Finance**  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-M-87(11)M  
Highway Use Tax  
December 10, 1987

Subject: Consignment Permits and Stickers

Section 473.9 has been added to the Highway Use Tax Regulations. It provides guidelines for the issuance of Highway Use Tax ("HUT") permits and Stickers by the Department of Taxation and Finance on a consignment basis.

Consignment permits and stickers, unlike regular "HUT" permits stickers, are not issued for specific motor vehicles. They are issued unassigned to eligible carriers who may then assign the permits and stickers to their motor vehicles as needed, thereby avoiding the necessity of requesting emergency permits and stickers from a permit service.

In order to be considered an eligible carrier for the purpose of obtaining consignment permits, the applicant: must have an annual need for at least 200 emergency permits; must have timely filed Highway Use Tax returns and paid the taxes due for the twelve-month period preceding the date of application for consignment permits; and must have supplied any evidence of financial responsibility requested.

Application/Disposition of Consignment Permits

1. When an application for consignment permits and stickers is submitted, the permit fees (\$15 per permit) must be paid in full. Permit fees are not refundable unless a replacement series of permits (which allow unused permits to be converted to current series permits) are required.
2. Any changes relating to the information contained in the application must be reported immediately to the Department.
3. After each consignment permit and sticker are assigned to a motor vehicle, the carrier must complete form TMT-1.11, Consignment Highway Use Permits Report, and submit the form to the Department. A carrier assigns a permit and sticker to a motor vehicle by affixing the sticker to the motor vehicle and completing the permit, which must be carried in the motor vehicle at all times. The sticker must actually be affixed to the motor vehicle; it may not be carried in the motor vehicle. All laws and regulations which apply to permitted motor vehicles also apply to motor vehicles which are assigned consignment permits.
4. When a motor vehicle with a permit is transferred or junked, or a lease on a motor vehicle with a permit has expired or the business of a permit holder is sold, the Department of Taxation and Finance must be notified within 5 days. In any of these cases the stickers must be destroyed and the permit must be returned to the Department for cancellation.

Consignment Permit Restrictions

1. The motor vehicle must be owned by the carrier or leased under a long-term contract which provides the carrier with complete control over the motor vehicle.
2. Trucks or trailers which transport automotive fuel are not eligible for consignment permits and stickers.
3. Omnibuses are not eligible for consignment permits and stickers.
4. The number of consignment permits and stickers issued at any one time may not exceed 10 percent of the number of vehicles then registered to the applicant under Article 21 of the Tax Law.
5. Requests are limited to a maximum of 200 permits and stickers and a minimum of 20 permits and stickers.
6. Seventy-five percent of an applicant's previous order for consignment permits and stickers must be assigned to particular vehicles before another application will be accepted by the Department.
7. Consignment permits and stickers may not be used to replace lost or stolen permits.
8. Consignment permits and stickers may not be transferred; they may only be used by the carrier to whom they are issued and only for the particular motor vehicle for which they are assigned.

Carriers may have their permission to use or to continue to use consignment permits withdrawn if they fail to file a Highway Use Permit report as required, or if they fail to timely file Truck Mileage or Fuel Use Tax returns or timely pay the taxes due, or if they do not comply with any of the aforementioned restrictions.