

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

TSB-M-80 (13)S
 Sales Tax
 October 31, 1980

Sales Tax Clearance For Motor Vehicle Registration In New York State
 Non-Dealer Transactions

To register a motor vehicle which was obtained through a private (non-dealer) transaction, the purchaser must present a Sales Tax Clearance Certificate to the Department of Motor Vehicles, at the time of registration, and pay the tax due, if any.

Following is a list of generally encountered transactions, the clearance certificates necessary for registration and their form numbers.

<u>TRANSACTION</u>	<u>CLEARANCE CERTIFICATE</u>
<p>The purchase price is <u>at least as high</u> as its market value (as established by the NADA*).</p> <p style="text-align: center;">* * *</p>	<p>Complete <u>Statement of Transaction - Casual Sale of Motor Vehicle</u> (ST-170.2) and pay the tax due.</p> <p style="text-align: center;">* * *</p>
<p>The purchase price is <u>less than</u> its market value (as established by the NADA*).</p> <p style="text-align: center;">* * *</p>	<p><u>Affidavit - Sale of Motor Vehicle</u>, ST-170.8, to be completed by the seller, must be submitted with completed <u>Statement of Transaction - Casual Sale of Motor Vehicle</u> (ST-170.2). Tax due must be paid.</p> <p style="text-align: center;">* * *</p>
<p>The motor vehicle is received as a gift.</p> <p style="text-align: center;">* * *</p>	<p><u>Affidavit - Gift of Motor Vehicle</u>, ST-170.9, to be completed by donor, must be submitted with completed <u>Statement of Transaction - Casual Sale of Motor Vehicle</u> (ST-170.6). No tax is due.</p>
<p>Transactions between a husband or wife and his or her spouse, or between a parent and his or her child, are exempt from tax regardless of whether the vehicle is transferred as a gift or for a monetary or other consideration (provided the seller is not a dealer of motor vehicles). Therefore, no affidavit or statement of transaction is required.</p> <p style="text-align: center;">* * * * * *</p>	
<p>The new owner is an organization exempt from tax under section 1116(a), Article 28 of the New York State Tax Law.</p> <p style="text-align: center;">* * *</p>	<p>Complete <u>Statement of Transaction - Casual Sale of Motor Vehicle</u> (ST-170.3). No tax is due.</p> <p style="text-align: center;">* * *</p>
<p>Vehicle was acquired in settlement of previous owner's estate. (This does not include purchase from an estate.)</p>	<p>Complete <u>Statement of Transaction - Casual Sale of Motor Vehicle</u> (ST-170.3). No tax is due.</p>

TRANSACTION

CLEARANCE CERTIFICATE

Vehicle was delivered to purchaser by seller or common carrier at a point outside New York State, entered the State while transporting persons or property for hire in interstate or foreign commerce, and will be used exclusively for that purpose.

Complete Statement of Transaction- Casual Sale of Motor Vehicle (ST-170.3). No tax is due.

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New owner holds a Direct Payment Permit.

Complete Statement of Transaction- Casual Sale of Motor Vehicle (ST-170.3). Copy of Direct Payment Permit must be attached. Tax is paid directly to the Tax Commission, if due.

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Vehicle purchased exclusively for rental.

Complete Statement of Transaction- Casual Sale of Motor Vehicle (ST-170.3). Certificate of Authority number must be supplied. No tax is due.

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Vehicle is to be leased.

Complete Statement of Transaction- Casual Sale of Motor Vehicle (ST-170.3). Lessor's Certificate of Authority number must be supplied. (Sales and use tax will be paid to the lessor.)

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Vehicle was purchased outside New York State by a serviceman who is a resident of New York State, but stationed outside the State.

Complete Statement of Transaction - Casual Sale of Motor Vehicle (ST-170.3). Certificate of Exemption From Use Tax, ST-178 must be attached. No tax is due until residence is resumed in New York State.

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Sales tax was paid to the vendor.

Complete Statement of Transaction - Casual Sale of Motor Vehicle (ST-170.3). You must include vendor's identification number. No tax is due.

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Vendors other than automobile dealers, who are registered with the Department of Taxation and Finance for sales and use tax purposes, must collect and remit the tax on the sale of an automobile, as if they were automobile dealers. When you purchase an automobile from a registered vendor and pay the tax, he should supply you with his identification number as it appears on his Certificate of Authority to collect the tax.

As an unregistered vendor cannot supply you with a proper identification number, you should not pay the tax to such a vendor, but remit the tax to authorized Tax Department personnel at the time of registration.

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TRANSACTION

CLEARANCE CERTIFICATE

Credit is to be taken for tax paid to another state.

Complete Statement of Transaction - Credit For Tax Paid To Other States (ST-170.4). Allowable credit to be applied against New York State sales tax due. Pay additional tax, if applicable.

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Motor vehicle is purchased by a non-resident.

Complete Statement of Transaction- Casual Sale of Motor Vehicle (ST-170.5). No tax is due.

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Simultaneous registration of several vehicles.

Complete Schedule of Multiple Transactions - Casual Sale of Motor Vehicles (ST-177). Tax may or may not be due according to status of seller and/or purchaser.

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Motor Vehicle is obtained through a winning raffle ticket.

No tax is due; however, you must present proof of transfer to you.

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Transaction is exempt for a reason other than any listed above.

Complete Statement of Transaction - Casual Sale of Motor Vehicle (ST-170.3). No tax is due.

In the event a motor vehicle has to be registered immediately, without opportunity to obtain a required affidavit, the sales tax must be paid based upon the market value of the vehicle (per NADA*). If this results in an excessive payment of tax, the purchaser of the vehicle may apply to the Department of Taxation & Finance for a refund (Application For Refund and/or Credit of Sales or Use Tax Paid on Casual Sale of Motor Vehicle, ST-170.10), after the applicable affidavit has been obtained.

Clearance certificates and other necessary forms may be obtained at district offices of the Department of Taxation and Finance, offices of County Clerks, and offices of the Department of Motor Vehicles.

*National Automobile Dealers Association