

SALES OF MOTOR VEHICLES TO NONRESIDENTS

NONRESIDENT STATE TAX RATE SCHEDULES and ARIZONA COUNTY TAX RATE SCHEDULES

EFFECTIVE: JANUARY 1, 2020

This schedule is for use in manually completing **WORKSHEET A/B**, which computes the Arizona State Transaction Privilege Tax amount (adjusted to equal the **state** tax amount of the nonresident's state), County Excise Tax, and Form TPT-2 Deduction Amounts, for sales of motor vehicles by **Arizona motor vehicle dealers** to nonresidents from states that qualify for full or partial exemption from Arizona transaction privilege tax. **WORKSHEET C** automatically performs all tax and deduction calculations. Arizona Transaction Privilege Tax Procedure **TPP 08-1** explains various scenarios and issues associated with sales of motor vehicles to nonresidents. **TPP 08-1, WORKSHEET A/B** and **WORKSHEET C** are all available online under Transaction Privilege Tax (TPT).

Enter the nonresident's state tax rate on LINE 2 of the WORKSHEET:

STATE	TAX %	ENTER:
AL	2.0%	0.020
AK	0.0%	0.000
CO	2.9%	0.029
HI	4.0%	0.040
IA	5.0%	0.050
LA	4.45%	0.0445
ME	5.5%	0.055
MO	4.225%	0.04225

STATE	TAX %	ENTER:
MT	0.0%	0.000
NE	5.50%	0.055
NH	0.00%	0.000
NM	4.00%	0.040
NY	4.00%	0.040
NC	3.00%	0.030
ND	5.00%	0.050
OR	0.50%	0.005

STATE	TAX %	ENTER:
SC	5.00%	0.050
SD	4.00%	0.040
UT	4.85%	0.0485
WI	5.00%	0.050
WY	4.00%	0.040

*MAXIMUM S.C. TAX IS \$500

Enter the applicable Arizona county tax rate on LINE 4 of the WORKSHEET:

COUNTY	TAX %	ENTER:
APA	0.5%	0.005
COH	0.5%	0.005
COC	1.3%	0.013
GLA	1.00%	0.010
GRA	1.0%	0.010

COUNTY	TAX %	ENTER:
GRN	0.5%	0.005
LAP	2.00%	0.020
MAR	0.7%	0.007
MOH	0%	0.00
NAV	0.83%	0.0083

COUNTY	TAX %	ENTER:
PMA	0.5%	0.005
PNL	1.60%	0.016
STC	1.00%	0.010
YAV	0.75%	0.0075
YMA	1.112%	0.01112

Nonresidents from AR, DE, D.C., GA, MD, MS, OK, VA and WV: These states do not provide "reciprocity" for taxes paid in Arizona. (In other words, these states do not allow a credit against their taxes for tax paid in Arizona) A.R.S. § 42-5061(A)(28)(a) provides an exemption from Arizona transaction privilege tax and county excise tax for motor vehicle sales to nonresidents who are from these states. See Arizona Transaction Privilege Tax Procedure **TPP 08-1** for information and documentation requirements.

Nonresidents from CA, CT, FL, ID, IL, IN, KS, KY, MA, MI, MN, NV, NJ, OH, PA, RI, TN, TX, VT, and WA: Because these states have higher tax rates than Arizona's **5.6%** transaction privilege tax rate, motor vehicle sales to nonresidents from these states are subject to Arizona taxes if the nonresident purchaser takes possession of the vehicle in Arizona. These states will allow a credit against their state taxes for the **state** transaction privilege tax paid in Arizona, when the nonresident registers the vehicle in his or her home state.