



Tax Information Publication

TIP

No: 23A01-26R

Date Issued:
December 27, 2023
Revised:
September 30,
2024

On December 27, 2023, the Department issued TIP 23A01-26. That TIP contained incorrect information regarding Oklahoma in the attached rate chart. To ensure you have the correct information, the Department has issued this revised TIP.

Motor Vehicle Sales Tax Rates by State (As of December 27, 2023)

Motor Vehicles Sold in Florida to Residents of Another State

Florida law allows a partial exemption of sales and use tax to be collected on a motor vehicle purchased by a resident of another state. The amount of Florida sales tax to be collected is the amount of sales tax that would be imposed by the purchaser's home state if the vehicle were purchased in that state. If the rate imposed in the purchaser's home state is greater than 6%, the rate of Florida tax to be collected is 6%. The tax collected is Florida tax and must be paid to the Florida Department of Revenue.

For the partial exemption to apply, **at the time of sale**, the nonresident purchaser is required to complete an *Affidavit for Partial Exemption of Motor Vehicle Sold to a Resident of Another State* ([Form DR-123](#)) declaring the purchaser's intent to license the vehicle in their home state within 45 days of the date of purchase. The completed Form DR-123 is provided to the selling dealer or, if purchased from an individual, to the county tax collector or private tag agent when purchasing a temporary tag for the vehicle. If the nonresident purchaser licenses the motor vehicle in their home state within 45 days from the date of purchase, there is no requirement that the motor vehicle be removed from Florida.

The partial exemption for a motor vehicle sold in Florida to a nonresident purchaser **does not** apply to a nonresident corporation or partnership when:

- An officer of the corporation is a Florida resident;
- A stockholder who owns at least 10% of the corporation is a Florida resident; or
- A partner who has at least a 10% ownership in the partnership is a Florida resident.

However, the partial exemption may be allowed for corporations or partnerships if the vehicle is removed from Florida within 45 days after purchase and remains outside this state for a minimum of 180 days, regardless of the residency of the owners or stockholders of the purchasing entity.

Currently, the states of **Arkansas, Mississippi, and West Virginia** impose a sales tax on motor vehicles but **do not** allow a credit for taxes paid to Florida. Residents of these states should be informed that they must pay sales tax to Florida at the rate imposed by their home state when they purchase a vehicle in Florida and must also pay tax to their home state when the vehicle is licensed in their home state.

Motor Vehicles Purchased in Another State and Brought Into Florida

Florida's use tax rate of 6% generally applies to motor vehicles purchased in another state, the District of Columbia, or a U.S. territory and subsequently titled, registered, or licensed in Florida.

Florida law allows a credit to be given to reduce the tax due when a like tax has been lawfully imposed and paid in another state, the District of Columbia, or a U.S. territory. Credit against Florida use tax and any discretionary sales surtax is given for a like tax paid in another state, whether the tax has been paid to that state or to a county or city (local taxes) within that state. If the amount paid is equal to or greater than the amount imposed by Florida, no additional tax is due. If the amount paid is less than the amount due as imposed by Florida, only the difference between the two tax rates is due.

Any motor vehicle used in another state, the District of Columbia, or a U.S. territory for six months or longer before being brought into Florida is presumed to be purchased for use outside Florida. When the vehicle owner provides documentation establishing that the vehicle was used outside Florida for six months or longer before being registered in Florida, no Florida use tax is due.

Rate Chart

The attached chart contains information from each state regarding the rate of Florida tax to be imposed under this provision and whether credit for a trade-in is permitted by the home state. The full amount of Florida sales tax is imposed on the sales price of each motor vehicle sold to residents of U.S. territories and foreign countries when the motor vehicle is delivered to the purchaser or the purchaser's representative in Florida.

The information in the chart may also be used to determine if Florida allows a credit for a like tax paid in another state.

This information is provided based on the best information made available to the Florida Department of Revenue as of the date of this publication. Contact the taxing authority in the non-resident purchaser's home state to verify whether a credit of Florida sales tax paid will be allowed against any tax or fee due in the non-resident purchaser's state of residence.

References: Sections 212.06(7), 212.06(8)(a), and 212.08(10), Florida Statutes

For More Information

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit the Department's website at floridarevenue.com or call Taxpayer Services at (850) 488-6800, Monday through Friday (excluding holidays).

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services MS 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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STATE	State Sales Tax Rate (does not include local taxes)	Credit allowed by Florida for tax paid in another state	Exemption for occasional or isolated sales	Comments
ALABAMA	2%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in when sold through a dealer.
ALASKA	None	NO	N/A	
ARIZONA	5.6%	YES	YES	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.
ARKANSAS	6.5%	YES	NO	For purchases on or after January 1, 2022: <ul style="list-style-type: none"> • If the total price for the sale of a used motor vehicle, trailer, or semi-trailer is less than \$4,000, no tax will be collected. • If the total price for the sale of a used motor vehicle, trailer, or semi-trailer is at least \$4,000 but less than \$10,000, the gross price of the vehicle will be taxed at the reduced state tax rate of 3.5%. • If the total price for the sale of a used motor vehicle, trailer, or semi-trailer is \$10,000 or more, the vehicle will be taxed at the rate of 6.5%.
CALIFORNIA	7.25%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle. No credit allowed for trade-in. Generally, transfers to certain revocable trusts and non-dealer transfers between family members are exempt.
COLORADO	2.9%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, excluding the fair market value of any trade-in.
CONNECTICUT	6.35% on motor vehicles with a sales price of: <ul style="list-style-type: none"> • \$50,000 or less; or • Over \$50,000 and: gross vehicle weight rate (GVWR) over 12,500 lbs.; or GVWR 12,500 lbs. or less and used for business or commercial purposes. 7.75% on motor vehicles with a sales price over \$50,000, except as described above. 4.5% on motor vehicles sold to members of the armed forces on full-time active duty in CT, excluding CT residents.	YES	NO	Tax is calculated on the sales price of a motor vehicle, less credit for trade-in, when purchased from a licensed motor vehicle dealer. Certain commercial trucks, truck tractors, tractors, semi-trailers, and vehicles used in combination, as well as motor buses, are exempt.
DELAWARE				Please contact Delaware DMV at https://www.dmv.de.gov/
DISTRICT OF COLUMBIA	None	NO	NO	An excise tax is imposed on every original certificate of title for a motor vehicle, based on class. Florida does not give credit for this excise tax.

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GEORGIA	<ul style="list-style-type: none"> None for “motorized” motor vehicles that are titled in Georgia (e.g., car, truck, motorcycle, RV) 4% for “non-motorized” motor vehicles (e.g., tow-behind campers and trailers) 	<p>YES, on “non-motorized” motor vehicles</p> <p>NO credit is allowed against the state’s “Title Ad Valorem Tax” (TAVT)</p>	YES	Sales tax is calculated on the sales price of “non-motorized” motor vehicles, such as tow-behind trailers and campers. Credit is allowed in Florida for sales tax paid in Georgia on non-motorized motor vehicles.																								
HAWAII	4%	YES	YES	Tax is calculated on the sales price of a motor vehicle, less credit for trade-in.																								
IDAHO	6%	YES	NO	<p>Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in, when sold through a dealer.</p> <p>Sales of motor vehicles with a maximum gross registered weight rating over 26,000 lbs. that are registered under the International Registration Plan and used as part of a fleet with over 10% of miles outside Idaho are exempt.</p>																								
ILLINOIS	6.25%	YES	<p>NO</p> <p>Illinois imposes a “Private Party Vehicle Use Tax.” Tables A and B are used to compute tax due.</p>	<p>Illinois private party vehicle use tax is based on the purchase price (or fair market value). Use Table A or B to determine the tax amount. The purchase price of a vehicle is the value given whether received in money or otherwise; this includes cash, credits, property, or service. When there is no stated purchase price, such as in the case of a gift or even trade, the fair market value should be used. The fair market value may be obtained from a licensed dealer. A trade-in deduction is not allowed on the private party vehicle use tax.</p> <p>Table A (Effective January 1, 2023 -December 31, 2023) <i>Vehicles purchased for less than \$15,000:</i></p> <table border="1" data-bbox="1352 1008 1682 1357"> <thead> <tr> <th><u>Vehicle Age in Years</u></th> <th><u>Tax</u></th> </tr> </thead> <tbody> <tr><td>1 year or newer</td><td>\$465</td></tr> <tr><td>2 years</td><td>\$365</td></tr> <tr><td>3 years</td><td>\$290</td></tr> <tr><td>4 years</td><td>\$240</td></tr> <tr><td>5 years</td><td>\$190</td></tr> <tr><td>6 years</td><td>\$165</td></tr> <tr><td>7 years</td><td>\$155</td></tr> <tr><td>8 years</td><td>\$140</td></tr> <tr><td>9 years</td><td>\$125</td></tr> <tr><td>10 years</td><td>\$115</td></tr> <tr><td>11 years or older</td><td>\$100</td></tr> </tbody> </table>	<u>Vehicle Age in Years</u>	<u>Tax</u>	1 year or newer	\$465	2 years	\$365	3 years	\$290	4 years	\$240	5 years	\$190	6 years	\$165	7 years	\$155	8 years	\$140	9 years	\$125	10 years	\$115	11 years or older	\$100
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				<p align="center">Table B (Effective January 1, 2023 - December 31, 2023)</p> <p align="center"><i>Vehicles purchased for \$15,000 or more:</i></p> <table border="1"> <thead> <tr> <th>Purchase Price</th> <th>Tax</th> </tr> </thead> <tbody> <tr> <td>\$15,000 to \$19,999.99</td> <td>\$ 850</td> </tr> <tr> <td>\$20,000 to \$24,999.99</td> <td>\$1,100</td> </tr> <tr> <td>\$25,000 to \$29,999.99</td> <td>\$1,350</td> </tr> <tr> <td>\$30,000 to \$49,999.99</td> <td>\$1,600</td> </tr> <tr> <td>\$50,000 to \$99,999.99</td> <td>\$2,650</td> </tr> <tr> <td>\$100,000 to \$999,999.99</td> <td>\$5,100</td> </tr> <tr> <td>\$1,000,000 or more</td> <td>\$10,100</td> </tr> </tbody> </table>	Purchase Price	Tax	\$15,000 to \$19,999.99	\$ 850	\$20,000 to \$24,999.99	\$1,100	\$25,000 to \$29,999.99	\$1,350	\$30,000 to \$49,999.99	\$1,600	\$50,000 to \$99,999.99	\$2,650	\$100,000 to \$999,999.99	\$5,100	\$1,000,000 or more	\$10,100
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INDIANA	7%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.																
IOWA	None	YES, for the registration fee/use tax paid	NO	A statewide 5% one-time fee for new registration is imposed on vehicle sales price.																
KANSAS	6.5%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.																
KENTUCKY	6%	YES	YES																	
LOUISIANA	4.45%	YES	NO	<p>Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.</p> <p>Trucks and trailers over 26,000 lbs. and used 80% of the time in interstate commerce are exempt.</p>																
MAINE	5.5%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.																
MARYLAND	None	YES, for motor vehicle titling tax paid	NO	Maryland Motor Vehicle Administration																
MASSACHUSETTS	6.25%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in, when sold through a dealer. For occasional (casual) and isolated sales, the tax rate is calculated on the sales price of the vehicle or the clean trade-in book value of the vehicle, whichever is greater, regardless of the condition of the vehicle.																

STATE	State Sales Tax Rate (does not include local taxes)	Credit allowed by Florida for tax paid in another state	Exemption for occasional or isolated sales	Comments
MICHIGAN	6%	YES	NO	<p>Tax is calculated on the sales price of a new or used motor vehicle, less allowable credit for a trade-in, when sold by a dealer.</p> <p>Trade-in credit allowed for 2023 is the lesser of \$9,000 or the agreed-upon value of the trade-in.</p> <p>Trade-in credit allowed for 2024 is the lesser of \$10,000 or the agreed-upon value of the trade-in.</p> <p>Concrete mixing trucks used to mix and agitate materials at a plant or job site in the concrete manufacturing process are exempt.</p> <p>A commercial motor vehicle unit with two axles and a gross vehicle weight rate in excess of 10,000 lbs., and a commercial motor vehicle power unit having three or more axles, are exempt when purchased by an interstate motor carrier.</p>
MINNESOTA	6.875%	YES	NO	<p>Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.</p> <p>Used vehicles 10 years old or older with a sales price and average value of \$3,000 or less are taxed at \$10.</p>
MISSISSIPPI	<ul style="list-style-type: none"> • 5% – motor vehicles and light trucks 10,000 lbs. or less • 3% – semi-trailers and trucks over 10,000 lbs. • 7% – motorcycles 	YES	<p>YES</p> <p>Limited to trailers and motor vehicles sold 10 or more years after the date of manufacture</p>	<p>Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.</p>
MISSOURI	4.225%	YES	NO	<p>Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in, at the time the vehicle is titled on vehicles sold 180 days before or after the purchase of the vehicle (not a trade-in) and on rebates.</p>
MONTANA	None	NO	N/A	
NEBRASKA	5.5%	YES	NO	<p>Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.</p>
NEVADA	6.85%	YES	YES	<p>Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.</p>
NEW HAMPSHIRE	None	NO	N/A	

STATE	State Sales Tax Rate (does not include local taxes)	Credit allowed by Florida for tax paid in another state	Exemption for occasional or isolated sales	Comments
NEW JERSEY	6.625%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in. Tax-exempt commercial vehicles include: <ul style="list-style-type: none"> • Vehicles with a gross weight rating greater than 26,000 lbs. • Vehicles operated actively and exclusively for the carriage of interstate freight • Registered farm vehicles with a weight rating greater than 18,000 lbs
NEW MEXICO	None	YES, for the 4% motor vehicle excise tax paid	NO	
NEW YORK	4%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.
NORTH CAROLINA	None	YES, for the highway use tax paid	NO	
NORTH DAKOTA	None	YES, for the motor vehicle excise tax paid	NO	A 5% motor vehicle excise tax is imposed on the purchase price of any motor vehicle purchased or acquired either in or out of state for use on the streets and highways of North Dakota.
OHIO	5.75%	YES	NO	Tax is calculated on the sales price of new or used motor vehicles. Credit for a trade-in is allowed only when the motor vehicle is traded with a new motor vehicle dealer for a new motor vehicle.
OKLAHOMA	1.25%	YES, for sales tax or excise taxes paid	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.
OREGON	None	YES	YES	A 0.5% "Vehicle Use Tax" is imposed on the retail sales price of motor vehicles with 7,500 miles or less, with a gross vehicle weight rating of 26,000 lbs. or less, purchased from dealers outside of Oregon, for transactions completed on or after January 1, 2018.
PENNSYLVANIA	6%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.
RHODE ISLAND	7%	YES	NO	Tax is calculated on the sales price of new or used motor vehicles. Trade-in credit allowed on automobiles and motor homes only. Effective October 1, 2022, trade-in credit is allowed for a motorcycle traded in for the purchase of a motorcycle.
SOUTH CAROLINA	5%, not to exceed \$500	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.
SOUTH DAKOTA	None	YES, for the motor vehicle excise tax paid	NO	A Motor Vehicle Excise Tax rate is 4%. Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in. South Dakota does not charge a sales tax on its vehicle sales.

STATE	State Sales Tax Rate (does not include local taxes)	Credit allowed by Florida for tax paid in another state	Exemption for occasional or isolated sales	Comments
TENNESSEE	7%	YES, for the state sales tax only	NO	<p>Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.</p> <p>Qualified common or contract carriers may purchase the following motor vehicles exempt from sales tax:</p> <ul style="list-style-type: none"> • Vehicles with a gross vehicle weight rating of 16,000 lbs. or above • Trailers, semi-trailers, and pole trailers used to transport passengers and cargo more than 50% of the operational time in interstate or foreign commerce
TEXAS	6.25%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in. Used vehicles that are not purchased from a licensed vehicle dealer are subject to tax on the higher of the purchase price or standard presumptive value.
UTAH	4.85%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.
VERMONT	6%	YES	NO	Tax is calculated on the purchase price or the average trade-in value, whichever is greater, less credit for trade-in.
VIRGINIA	4.15% (\$75 minimum)	YES	NO	<p>Tax is calculated on the sales price of a new or used motor vehicle. <u>No credit allowed for trade-in.</u></p> <p>Trucks, tractor trucks, trailers, or semi-trailers with a gross vehicle weight rating of 26,001 lbs. or more are exempt.</p>
WASHINGTON	6.8%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in of a motor vehicle. Trade-in credit cannot exceed the sales price.
WEST VIRGINIA	<ul style="list-style-type: none"> • 6% on motor vehicles over \$500 • \$30 on motor vehicles less than \$500 	YES, when the sale is made through a motor vehicle dealer	NO	Tax is imposed on the sales price of new and used motor vehicles, when sold by a vehicle dealer, and the vehicle traded in was previously titled in West Virginia in the name of the purchaser.
WISCONSIN	5%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.
WYOMING	4%	YES	NO	Tax is calculated on the sales price of a new or used motor vehicle, less credit for trade-in.