

810-6-3-.42.03 Sales of Certain Automotive Vehicles to Nonresidents for First Use and Registration or Titling Outside Alabama.

(1) **Effective January 1, 2016, S**sales of automobiles, motorcycles, trucks, truck trailers, or semitrailers that will be registered or titled outside Alabama, that are exported or removed from Alabama within 72 hours by the purchaser or purchaser's agent for first use outside Alabama are not subject to Alabama sales tax provided **(i) the state sales tax laws of the state in which the purchaser will title or register the vehicle allows an Alabama resident to purchase a motor vehicle for first titling and registering in Alabama without the payment of tax to that state and (ii) the** exempt sale is documented on the following form:

STATE OF ALABAMA

AUTOMOTIVE VEHICLE DRIVE OUT CERTIFICATE FOR NONRESIDENTS

THIS FORM MUST BE EXECUTED BY BOTH THE SELLER AND THE PURCHASER OR PURCHASER'S AGENT AT THE TIME OF THE SALE. FORMS EXECUTED SUBSEQUENT TO THE TIME OF THE SALE ARE INVALID.

SELLER'S NAME AND ADDRESS:	PURCHASER'S NAME, ADDRESS, AND PHONE NO.:
Name _____	Name _____
Street _____	Street _____
City _____ State _____	City _____ State _____
Zip Code _____	Zip Code _____
	PHONE NO. (____) _____

Invoice	Automotive	Model
No. _____	Vehicle Make _____	No. _____

Date of Sale: _____ VIN _____

Time of Sale: _____ A.M.

_____ P.M.

The facts set forth in this document are true and correct to the best knowledge and belief of the below-signed seller and purchaser or purchaser's agent.

The automobile, motorcycle, truck, truck trailer, or semitrailer referenced above will be exported or removed by the purchaser or purchaser's agent from Alabama within 72 hours from the time of sale to the State of _____ for first use and registration or titling in accordance with the laws of that state.

Signature of the Seller: _____ Signature of Purchaser or Purchaser's Agent: _____

NOTICE: This form does not apply to and may not be used in conjunction with the sale of mobile homes, all terrain vehicles, motor homes, or boats. The 72 hour drive out provision does not apply to sales of these automotive vehicles. **This form does not apply to and may not be used for sales to non-residents when the laws of the state in which the non-resident will title or register the vehicle does not allow an Alabama resident to purchase a motor vehicle without the payment of tax to that state. The tax to be collected on such sales is the two percent (2%) Alabama sales tax.**

FAILURE TO PROPERLY COMPLETE AND MAINTAIN THIS CERTIFICATE IN THE SELLER'S FILES WILL RESULT IN THE SELLER BEING HELD LIABLE FOR THE ALABAMA SALES TAX.

(2) The certificate outlined in (1) above must be executed by both the seller and the purchaser or the purchaser's agent at the time of the sale. A certificate executed subsequent to the time of the sale shall be invalid and the Alabama sales tax shall be due from the seller on the sale for which the invalidated certificate was prepared.

(3) The certificate outlined in (1) above, properly completed, must be retained in the seller's records with a copy of the corresponding sales invoice. Both the certificate and the invoice shall be available for inspection or examination by the Department of Revenue or any authorized agent during normal business hours. The seller will be liable for the Alabama sales tax on any sale for which the export exemption has been claimed but for which a properly executed certificate and sales invoice are not maintained in the seller's records.

(4) A Certificate of Exemption - Out of State Delivery is not required for sales which qualify for the export exemption contained in Section 40-23-2(4) and for which the certificate outlined in (1) above is properly executed and maintained.

(5) Sales of other vehicles such as mobile homes, motor bikes, all terrain vehicles, **motor homes**, and boats do not qualify for the export exemption provision and are taxable unless the seller can provide factual evidence that the vehicle was delivered outside Alabama or to a common carrier for transportation outside Alabama.

(6) In the event the laws of the state in which the purchaser will title or register the vehicle do not allow an Alabama resident to purchase a motor vehicle for first titling and registering in Alabama without the payment of tax to that state, the sale of the automotive vehicle to the nonresident will be subject to the Alabama state automotive sales tax rate. The tax collected will be state tax and will exclude county and municipal sales tax.

(7) A list of states that do not allow a reciprocal drive-out provision for Alabama residents purchasing automotive vehicles for first titling and registration in Alabama may be viewed on the Department's website at: <http://www.revenue.alabama.gov/salestax/>. Such list will be published by December 1, 2015, and will be updated each December 1 thereafter. Sellers that have relied on list information that is later determined to be incorrect shall not be held liable for the non-collection of the state automotive sales tax.

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Authority: Sections 40-2A-7(a)(5), 40-23-2(4) and 40-23-31 , Code of Alabama 1975

History: Adopted through APA effective January 24, 1989.