

SENATE NO. 1695

AN ACT RELATIVE TO THE SALE OF MOTOR VEHICLES TO NONRESIDENTS OF THE COMMONWEALTH

*Be it enacted by the Senate and House of Representatives in General Court assembled,
And by the authority of the same, as follows:*

1 SECTION 1. Section 6 of chapter 64H, as appearing in the 2004 Official Edition, is hereby
2 amended by inserting after paragraph (ww) the following paragraph:--
3 (xx) Sale of a motor vehicle to a person who is not a resident of the commonwealth who does
4 not register the motor vehicle in the commonwealth, whether the sale or delivery of the motor
5 vehicle to the nonresident is made in or outside the commonwealth. A motor vehicle sold to a
6 nonresident whose state of residence does not allow a like exemption to its nonresidents shall
7 not be exempt from the tax imposed under this chapter. In that event the nonresident shall pay a
8 tax to the commonwealth on the sale at a rate equal to the rate that would be imposed in his or
9 her state of residence not to exceed the rate that would have been imposed under this chapter.
10 When a motor vehicle dealer, licensed pursuant to section 58 and 59 of chapter 140, makes a
11 sale of a motor vehicle to a nonresident as provided in this paragraph, the dealer in computing
12 the tax shall take into consideration the law of the state of the nonresident as it relates to the
13 trade-in of motor vehicles. The commissioner may require any licensed motor vehicle dealer to
14 keep records of sales to bona fide nonresidents as the commissioner deems reasonably necessary
15 to substantiate the exemption provided in this paragraph, including the affidavit of a licensed
16 motor vehicle dealer that the purchaser of the motor vehicle was the holder of and had in his or
17 her possession a valid out of state driver's license. Any nonresident who registers a motor

18 vehicle in the commonwealth within 90 days of the date of its sale to him or her is deemed to
19 have purchased the motor vehicle for use, storage, or other consumption in the commonwealth,
20 and is subject to, and liable for the tax imposed under this chapter.