

HB 235 -- MOTOR VEHICLE SALES TAX

SPONSOR: Mosley

Beginning January 1, 2022, if any amount of financing is extended to the cost of any state or local sales tax for a motor vehicle, the financing entity must remit the amount of the sales tax directly to the taxing authority and the amount will be credited towards any amount of sales tax due by the purchaser. This direct transfer requirement will be a condition of any financing agreement to purchase a motor vehicle. Failure of the financing entity to properly remit the funds to an appropriate taxing authority will not be a defense to any claim owed by either party, and both parties will be jointly liable for any taxes owed.

This bill is the same as HB 1598 (2020).