



**Military** AutoDealer Guide for Tax Exempt Sales

**General Rules**

- ^ Sales tax is due if the member of the military (for WA resident) intends to remain in WA State for more than three months
  - ^ Vehicle (or camper, trailer, bus, motorhome, or motorcycle equipped for road use) is not used in WA more than three months
  - ^ Vehicle (or trailer) is not otherwise required to be registered and licensed in WA
  - ^ Must be temporarily stationed in WA state or permanently reassigned to duty station outside WA pursuant to military orders
  - ^ WA resident military personnel are treated the same as nonmilitary residents
  - ^ There's no contradictory information about customer's nonresident status in file (e.g. credit bureau, etc.)
- WAC 458-20-177 / ETA 3141 / RCW 82.08.0264 / RCW 46.16.480 / RCW 46.16.460

**Documentation (Retained at the Dealership)**

		<input type="checkbox"/>
<b>1</b>	<b>Photo I.D.</b> (Valid, non-expired, out-of-state Driver's License or other Photo I.D. issued outside WA)	<input type="checkbox"/>
<b>2</b>	<b>Second Piece of Approved I.D. (Out-of-State)</b>	Check one
	a. Current residential rental agreement	
	b. Property tax statement from the current or previous year	
	c. Utility bill, dated within the previous two months	
	d. State Income Tax return from the previous year	
	e. Voter registration card	
	f. Current credit report	
	g. Any other document determined by DOR to be acceptable, with buyer's street address	
	^ A bank statement issued within the previous two months	
	^ A government check issued within the previous two months	
	^ A pay check issued within the previous two months	
	^ Mortgage documents of current residence	
	^ Current vehicle insurance card	
	^ Letter or other documentation issued by the postmaster within the previous two months	
	^ Other government document issued within the previous two months	
<b>3</b>	<b>Member of the military does not intend to remain here for more than three months</b>	
<b>4A</b>	<b>Trip Permit:</b> Vehicle must leave dealership under a trip permit, or	
<b>4B</b>	<b>Nonresident License Plates:</b> Vehicle must leave the dealership with plates issued and affixed to the vehicle of the customer's state of residence at time of delivery	Check one
<b>5</b>	<b>Buyer's Affidavit</b> (All information is complete and signed by the Buyer and witnessed at time of delivery)	
	^ Copy of military orders shows customer is temporarily stationed in WA, or	
	^ Copy of military orders shows customer is permanently reassigned to new duty station outside WA and leaves within 3 mo of purchase	Check one
<b>6</b>	<b>Seller's Certificate In-State Delivery</b> (All information is complete and signed by Seller or Representative at time of delivery)	
	^ If the vehicle was previously licensed with WA plates, Dealer must remove plates and retain evidence of doing so.	"X" or N/A

*This Guide was developed by WSADA, Dept. of Revenue and Jeffrey B. Forsberg, CPA P.S. and does not constitute accounting or legal advice. The authors make no guarantees and disclaim all express or implied warranties for any purpose whatsoever, including fitness for a particular purpose or merchantability. Users should consult their advisors when implementing any tax policies. Under no circumstance, including negligence, shall the author(s) be liable for any loss/damages of any kind resulting from use of this Guide.*

*This AutoDealer Guide for Tax Exempt Sales represents a summary of rules in effect at the time of publication and is subject to change. Please refer to Department of Revenue's latest rules and updates at: <http://dor.wa.gov/Content/DoingBusiness/BusinessTypes/Industry/Auto/default.aspx#>*

**General Rules**

- ^ Vehicles sold to federally recognized Native American tribes and enrolled members thereof, which are delivered to a point within the reservation are not subject to retail sales tax (Note: Native American does not have to reside on the reservation but must be a member of the tribe on whose reservation delivery is made)
- ^ A Native American is a person registered on the tribal rolls of a qualified tribe occupying a Native American reservation and a person duly registered upon and within whose reservation such transaction or activity takes place
  1. A partnership consisting of Native American partners is considered "Native American"
  2. A partnership consisting of Native American and non-Native American partners is considered non-Native American"
  3. A corporation owned by Native Americans and consisting of Native American officers or directors is considered "Native American"
  4. A marital community consisting of a Native American and non-Native American member is considered "Native American" if all other qualifications are met
- ^ Note: Certification of delivery (see below) is not necessary if the dealership making the sale is located on the reservation/trust land (the Seller must still provide verification of the enrolled Tribal status however)
- ^ There should be no contradictory information about customer's nonresident status in file (e.g. credit bureau, etc.)

WAC 458-20-192

**Documentation (Retained at the Dealership)**



1 Retail Sales/Use Tax Exemption Certificate for Vehicles Sold to Enrolled Tribal Member

2A Buyer is an enrolled member of qualified tribe, or

2B Authorized representative of tribal enterprise, and the vehicle was delivered/acquired within Indian country, for at least partial use in Indian country

<input type="checkbox"/>	Check one
<input type="checkbox"/>	

Acceptable Documentation for 2a and 2b:

1. Certificate of enrollment
2. Tribal membership card
3. Treaty Indian Fishing Identification Card
4. Official letter signed by Tribal official

<input type="checkbox"/>	Check one
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	

3 Original signed copy must be submitted to Dept. of Lic'g with title application (not Dept. of Rev.)

4 Delivery is made on qualified tribe reservation of which customer is an enrolled member [See Exhibit A]

<input type="checkbox"/>
<input type="checkbox"/>

**Exhibit A: Recognized Native American tribes in Washington**

- Chehalis Confederated Tribes
- Colville Confederated Tribes
- Hoh Tribe
- Jamestown S'Klallam Tribe
- Kalispel Tribe
- Lower Elwha Klallam Tribe
- Lummi Nation Tribe
- Makah Tribe
- Muckleshoot Tribe
- Nisqually Tribe
- Nooksack Tribe
- Port Gamble S'Klallam Tribe
- Puyallup Tribe
- Quileute Tribe
- Quinault Nation
- Sauk-Suaittle Tribe
- Shoalwater Bay Tribe
- Skokomish Tribe
- Snoqualmie Tribe
- Spokane Tribe
- Squaxin Island Tribe
- Stillaguamish Tribe
- Suquamish Tribe
- Swinomish Tribe
- Tulalip Tribes
- Upper Skagit Tribe
- Yakama Nation

<input type="checkbox"/>	Check one
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**General Rules**

- ^ A nonresident is one who enters WA on a transitory basis and does not show an intent or evidence to reside in WA on a full or part time basis
- ^ The term nonresident does NOT include one who maintains a residence in WA and another state NOR does it include one who lives in WA and intends to reside in another state, but who has not established residency in that state
- ^ Three Month Limitation: A qualified nonresident, including students, will not use the vehicle (or camper, trailer, bus, motorhome, or motorcycle equipped for road use) in WA for more than three months. Otherwise, retail sales tax is due.
- ^ Vehicle cannot be licensed or titled in WA nor can it have valid WA plates attached at time of delivery
- ^ There should be no contradictory information about customer's nonresident status in file (e.g. credit bureau, etc.)
- ^ If the vehicle was previously licensed with WA plates, Dealer must remove plates and retain evidence of doing so.

WAC 458-20-177 / 458-20-193 / ETA 3054 / Special Notices June 4, 2007, May 31, 2007

**Documentation for A, B, C & D Below: (Retained at the Dealership)**



<b>1</b>	Photo I.D. (Valid, non-expired, out-of-state Driver's License or other Photo I.D. issued outside WA)	<input type="checkbox"/>	
<b>2</b>	Second Piece of Approved I.D. (Out-of-State)	<input type="checkbox"/>	Check one
	a. Current residential rental agreement	<input type="checkbox"/>	
	b. Property tax statement from the current or previous year	<input type="checkbox"/>	
	c. Utility bill, dated within the previous two months	<input type="checkbox"/>	
	d. State income tax return from the previous year	<input type="checkbox"/>	
	e. Voter registration card	<input type="checkbox"/>	
	f. Current credit report	<input type="checkbox"/>	
	g. Any other document determined by DOR to be acceptable, with buyer's street address	<input type="checkbox"/>	
	^ A bank statement issued within the previous two months	<input type="checkbox"/>	
	^ A government check issued within the previous two months	<input type="checkbox"/>	
	^ A pay check issued within the previous two months	<input type="checkbox"/>	
	^ Mortgage documents of current residence	<input type="checkbox"/>	
	^ Current vehicle insurance card	<input type="checkbox"/>	
	^ Letter or other documentation issued by the postmaster within the previous two months	<input type="checkbox"/>	
	^ Other government document issued within the previous two months	<input type="checkbox"/>	
<b>A</b>	<b>Nonresident: Vehicle Delivered Inside WA State [B&amp;O taxes are due]</b>	<input type="checkbox"/>	"X" or N/A
<b>3A</b>	Trip Permit: Vehicle must leave dealership under a trip permit, or	<input type="checkbox"/>	Check one
<b>3B</b>	Nonresident License Plates: Vehicle must leave the dealership with plates issued and affixed to the vehicle of the customer's state of residence at time of delivery and will not be used in WA for > 3 months.	<input type="checkbox"/>	
<b>4</b>	Buyer's Affidavit (All information is complete and signed by the Buyer and witnessed at time of delivery)	<input type="checkbox"/>	
<b>5</b>	Seller's Certificate In-State Delivery (All information is complete and signed by Seller or Representative at time of delivery)	<input type="checkbox"/>	
<b>B</b>	<b>Nonresident: Vehicle Delivered Outside WA State [B&amp;O taxes are not due]</b>	<input type="checkbox"/>	"X" or N/A
<b>3</b>	Buyer's Certificate Out-of-State Delivery (To be completed by Buyer at time of delivery outside WA State)	<input type="checkbox"/>	
<b>4</b>	Seller's Certificate Out-of-State Delivery (To be completed by Seller at time of delivery outside WA State)	<input type="checkbox"/>	
<b>C</b>	<b>Nonresident: Shipped Outside WA State Only [B&amp;O taxes are not due]</b>	<input type="checkbox"/>	"X" or N/A
<b>3</b>	Proof of transport outside the state (Customer cannot take delivery inside WA)	<input type="checkbox"/>	Check one
	A. Shipped by For-Hire Carrier: Waybill, Bill of Lading, or Contract of Carriage signed by Seller (consignor) delivered vehicle for transport outside WA (Documentation must show that seller has delivered the goods to the for-hire carrier for transport to buyer or buyer's agent at a point outside WA State)	<input type="checkbox"/>	
	B. Shipped by Seller's own transportation equipment	<input type="checkbox"/>	
	^ Trip Sheet (Seller Name/Address; Buyer Name/Address; Place & Time of Delivery; Name & Signat. of person making delivery)	<input type="checkbox"/>	
<b>4</b>	Buyer's Certificate Out-of-State Delivery (To be completed by Buyer at time of delivery outside WA State)	<input type="checkbox"/>	
<b>5</b>	Seller's Certificate Out-of-State Delivery (To be completed by Seller at time of delivery outside WA State)	<input type="checkbox"/>	
<b>D</b>	<b>Nonresident of Noncontiguous State (e.g. Hawaii / Alaska): Shipped Outside WA State [B&amp;O taxes are due]</b>	<input type="checkbox"/>	"X" or N/A
<b>3</b>	Buyer's Retail Sales Tax Exemption Certificate	<input type="checkbox"/>	
<b>4</b>	Proof of transport to noncontiguous state	<input type="checkbox"/>	Check one
	1. Dock receipt	<input type="checkbox"/>	
	2. Memorandum Bill of Lading	<input type="checkbox"/>	
	3. Trip Sheet	<input type="checkbox"/>	
	4. Cargo manifest	<input type="checkbox"/>	
	5. Other docum. showing actual delivery to dock, depot, warehouse, freight consolid. or forwarder, or receiving terminal	<input type="checkbox"/>	

## Residents & Dual Residents

AutoDealer Guide for Tax Exempt Sales

### General Rules

- ^ *Dual resident defined as one who claims residency in both WA and another state by virtue of spending near equal amounts of time in each state. Customer must take possession outside WA for the Sales/B&O tax exemption*
  - ^ *A Dual resident who purchases and takes delivery of a vehicle in WA is subject to both Retail Sales and B&O Tax.*
  - ^ *Dealer can act as shipper on bill of lading for delivery of vehicle to customer outside WA*
  - ^ *Dealer must collect use tax if involved in obtaining WA licensing or WA plates are installed when vehicle is delivered outside WA*
  - ^ *Use tax and licensing fees will be due if the customer brings vehicle in WA*
  - ^ *There should be no contradictory information about customer's nonresident status in file (e.g. credit bureau, etc.)*
- WAC 458-20-193

#### Documentation: If Delivered/Shipped by Seller's Own Transportation Equip. Outside WA (Retained at the Dealership)

- |   |  |                          |            |
|---|--|--------------------------|------------|
| 1 | Photo I.D. (Valid, non-expired)  | <input type="checkbox"/> |            |
| 2 | Buyer's Certificate Out-of-State Delivery (To be completed by Buyer at time of delivery outside WA State)                            | <input type="checkbox"/> |            |
| 3 | Seller's Certificate Out-of-State Delivery (To be completed by Seller at time of delivery outside WA State)                          | <input type="checkbox"/> |            |
|   | ^ <i>New vehicle: Dealer cannot order or place WA license plates on the vehicle.</i>   | <input type="checkbox"/> | "X" or N/A |
|   | ^ <i>Used vehicle: If vehicle was previously licensed with WA plates, Dealer must remove plates and retain evidence of doing so.</i> | <input type="checkbox"/> | "X" or N/A |
| 4 | Buyer did not take possession or use the vehicle in WA before delivery outside WA state  | <input type="checkbox"/> |            |

#### Documentation if Shipped Out-of-State (Retained at the Dealership)

- |   |  |                          |  |
|---|--|--------------------------|--|
| 1 | Photo I.D. (Valid, non-expired)  | <input type="checkbox"/> |  |
| 2 | Proof of transport outside the state   | <input type="checkbox"/> |  |
|   | A. Shipped by For-Hire Carrier: Waybill, Bill of Lading, or Contract of Carriage signed by Seller (consignor) delivered vehicle for transport outside WA (Documentation must show that seller has delivered the goods to the for-hire carrier for transport to buyer or buyer's agent at a point outside WA State) | <input type="checkbox"/> |  |
| 3 | Buyer did not take possession or use the vehicle in WA before shipment outside WA state  | <input type="checkbox"/> |  |

## Nonresident Corporation

AutoDealer Guide for Tax Exempt Sales

### General Rules

- ^ *Sales tax does not apply to sales of motor vehicles, trailer, or campers to nonresident corp. for use outside of this state.*
- ^ *Dealer must verify that the nonresident corp. is the purchaser and registered owner of the vehicle. Note that a WA resident signing for the nonresident corp. does not negate the exemption, provided all other requirements are met.*
- ^ *There should be no contradictory information about customer's nonresident status in file (e.g. credit bureau, etc.)*

#### Delivery Inside WA State [B&O taxes are due]

##### Documentation (Retained at the Dealership)

- |    |   |                          |            |
|----|---|--------------------------|------------|
| 1  | Copies of documentation supporting nonresident corporation  | <input type="checkbox"/> |            |
|    | A. Acceptable proof:  |                          |            |
|    | 1. Payment for vehicle is made with corporate check and registered in corporation's name  | <input type="checkbox"/> |            |
| 2A | Trip Permit: Vehicle must leave dealership under a trip permit, or  | <input type="checkbox"/> | Check one  |
| 2B | Nonresident License Plates: Vehicle must leave the dealership with plates issued and affixed to the vehicle of the customer's state of residence at time of delivery. | <input type="checkbox"/> |            |
| 3  | Buyer's Affidavit (All information is complete and signed by the Buyer and witnessed at time of delivery)   | <input type="checkbox"/> |            |
| 4  | Seller's Certificate In-State Delivery (All information is complete and signed by Seller or Representative at time of delivery)                                       | <input type="checkbox"/> |            |
|    | ^ <i>If the vehicle was previously licensed with WA plates, Dealer must remove plates and retain evidence of doing so.</i>  | <input type="checkbox"/> | "X" or N/A |
|    | ^ <i>Seller must retain the number of the corporate nonresident permit</i>  | <input type="checkbox"/> |            |

#### Delivery Outside WA State [B&O taxes are not due]

##### Documentation (Retained at the Dealership)

- |   |  |                          |            |
|---|--|--------------------------|------------|
| 1 | Copies of documentation supporting nonresident corporation   | <input type="checkbox"/> |            |
|   | A. Acceptable proof:   |                          |            |
|   | 1. Payment for vehicle is made with corporate check and registered in corporation's name   | <input type="checkbox"/> |            |
| 2 | Buyer's Certificate Out-of-State Delivery (To be completed by Buyer at time of delivery outside WA State)                            | <input type="checkbox"/> |            |
| 3 | Seller's Certificate Out-of-State Delivery (To be completed by Seller at time of delivery outside WA State)                          | <input type="checkbox"/> |            |
|   | ^ <i>New vehicle: Dealer cannot order or place WA license plates on the vehicle.</i>   | <input type="checkbox"/> | "X" or N/A |
|   | ^ <i>Used vehicle: If vehicle was previously licensed with WA plates, Dealer must remove plates and retain evidence of doing so.</i> | <input type="checkbox"/> | "X" or N/A |