
HOUSE BILL No. 1575

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5-39.

Synopsis: Sales tax exemptions. Provides that all cargo trailers and recreational vehicles that are: (1) purchased by nonresidents; (2) transported out of Indiana within 30 days; (3) registered for use in another state or country; and (4) not registered for use in Indiana; are exempt from the state gross retail tax. (Current law imposes an additional requirement that the cargo trailer or recreational vehicle must be registered in a state that grants a similar exemption to Indiana residents.)

Effective: July 1, 2007.

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January 23, 2007, read first time and referred to Committee on Ways and Means.

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First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

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HOUSE BILL No. 1575



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-2.5-5-39, AS AMENDED BY P.L.92-2006,
- 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2007]: Sec. 39. (a) As used in this section, "cargo trailer"
- 4 means a vehicle:
- 5 (1) without motive power;
- 6 (2) designed for carrying property;
- 7 (3) designed for being drawn by a motor vehicle; and
- 8 (4) having a gross vehicle weight rating of at least two thousand
- 9 two hundred (2,200) pounds.
- 10 (b) As used in this section, "recreational vehicle" means a vehicle
- 11 with or without motive power equipped exclusively for living quarters
- 12 for persons traveling upon the highways. The term includes a travel
- 13 trailer, a motor home, a truck camper with a floor and facilities
- 14 enabling it to be used as a dwelling, and a fifth wheel trailer.
- 15 (c) A transaction involving a cargo trailer, a recreational vehicle, or
- 16 an aircraft is exempt from the state gross retail tax if:
- 17 (1) the purchaser is a nonresident;



- 1 (2) upon receiving delivery of the cargo trailer, recreational
- 2 vehicle, or aircraft, the person transports it within thirty (30) days
- 3 to a destination outside Indiana;
- 4 (3) the cargo trailer, recreational vehicle, or aircraft will be titled
- 5 or registered for use in another state or country; **and**
- 6 (4) the cargo trailer, recreational vehicle, or aircraft will not be
- 7 titled or registered for use in Indiana. ~~and~~
- 8 (5) ~~in the case of a transaction involving a cargo trailer or~~
- 9 ~~recreational vehicle; the cargo trailer or recreational vehicle will~~
- 10 ~~be titled or registered in a state or country that provides an~~
- 11 ~~exemption from sales, use, or similar taxes imposed on a cargo~~
- 12 ~~trailer or recreational vehicle that is purchased in that state or~~
- 13 ~~country by an Indiana resident and will be titled or registered in~~
- 14 ~~Indiana.~~

15 ~~A transaction involving a cargo trailer or recreational vehicle that does~~
 16 ~~not meet the requirements of subdivision (5) is not exempt from the~~
 17 ~~state gross retail tax.~~

18 (d) A purchaser must claim an exemption under this section by
 19 submitting to the retail merchant an affidavit stating the purchaser's
 20 intent to:

- 21 (1) transport the cargo trailer, recreational vehicle, or aircraft to
- 22 a destination outside Indiana within thirty (30) days after delivery;
- 23 and
- 24 (2) title or register the cargo trailer, recreational vehicle, or
- 25 aircraft for use in another state or country.

26 The department shall prescribe the form of the affidavit, which must
 27 include an affirmation by the purchaser under the penalties for perjury
 28 that the information contained in the affidavit is true. The affidavit
 29 must identify the state or country in which the cargo trailer,
 30 recreational vehicle, or aircraft will be titled or registered.

31 (e) ~~The department shall provide the information necessary to~~
 32 ~~determine a purchaser's eligibility for an exemption claimed under this~~
 33 ~~section to retail merchants in the business of selling cargo trailers or~~
 34 ~~recreational vehicles.~~

35 **SECTION 2. [EFFECTIVE JULY 1, 2007] IC 6-2.5-5-39, as**
 36 **amended by this act, applies to retail transactions occurring after**
 37 **June 30, 2007.**

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