HOUSE BILL No. 1344

DIGEST OF INTRODUCED BILL

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

Synopsis: Sales tax. Provides that the purchase of a recreational vehicle or cargo trailer that is transported out of Indiana for registration and use in another state or country is exempt from the state gross retail tax regardless of whether the destination state or country provides a similar exemption for Indiana residents.

Effective: July 1, 2011.

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January 13, 2011, read first time and referred to Committee on Ways and Means.

C o p y

Introduced

First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

C o p y

HOUSE BILL No. 1344

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

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

SECTION 1. IC 6-2.5-5-39, AS AMENDED BY P.L.211-2007, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 39. (a) As used in this section, "cargo trailer" means a vehicle:

(1) without motive power;

(2) designed for carrying property;

(3) designed for being drawn by a motor vehicle; and

(4) having a gross vehicle weight rating of at least two thousand two hundred (2,200) pounds.

(b) As used in this section, "recreational vehicle" means a vehicle with or without motive power equipped exclusively for living quarters for persons traveling upon the highways. The term includes a travel trailer, a motor home, a truck camper with a floor and facilities enabling it to be used as a dwelling, and a fifth wheel trailer.

(c) A transaction involving a cargo trailer or a recreational vehicle is exempt from the state gross retail tax if:

(1) the purchaser is a nonresident;

(2) upon receiving delivery of the cargo trailer or recreational vehicle, the person transports it within thirty (30) days to a destination outside Indiana;

(3) the cargo trailer or recreational vehicle will be titled or registered for use in another state or country; **and**

(4) the cargo trailer or recreational vehicle will not be titled or registered for use in Indiana. ~~and~~

~~(5) the cargo trailer or recreational vehicle will be titled or registered in a state or country that provides an exemption from sales, use, or similar taxes imposed on a cargo trailer or recreational vehicle that is purchased in that state or country by an Indiana resident and will be titled or registered in Indiana.~~

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

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

(1) transport the cargo trailer or recreational vehicle to a destination outside Indiana within thirty (30) days after delivery; and

(2) title or register the cargo trailer or recreational vehicle for use in another state or country.

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

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

SECTION 2. [EFFECTIVE JULY 1, 2011] **(a) IC 6-2.5-5-39, as amended by this act, applies only to retail transactions occurring after June 30, 2011. A retail transaction shall be considered as having occurred after June 30, 2011, to the extent that delivery of the property constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2011, to the extent that the agreement of the parties to the transaction was entered into before July 1, 2011, and payment for the property furnished in the transaction is made**

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before July 1, 2011, notwithstanding the delivery of the property after June 30, 2011.

(b) This SECTION expires January 1, 2012.

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