

103 KAR 44:060. Motor vehicle usage tax valuation.

RELATES TO: KRS 138.450-138.470

STATUTORY AUTHORITY: KRS 131.130(1), 138.460(12)(b)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 131.130(1) authorizes the department to promulgate administrative regulations for the administration of all tax laws. This administrative regulation establishes the procedures to determine the retail value.

Section 1. Definitions. (1) "Gift" means the transfer of a motor vehicle from one (1) party to another for no consideration or nominal consideration.

(2) "MSRP" means the manufacturer's suggested retail price.

Section 2. The following special valuation procedures shall be followed:

(1) For purposes of establishing retail price for used motor vehicles if a notarized affidavit signed by both the buyer and the seller is not available, retail price shall be the average retail value as listed in the appropriate automotive reference manual prescribed in Section 3 of this administrative regulation.

(2) For purposes of establishing retail price for used motor vehicles whose values do not appear in the automotive reference manual prescribed by the department, and if a notarized affidavit signed by both the buyer and the seller is not available, retail price shall be determined by the department based upon relevant, available information.

(3) For purposes of establishing retail price for used vehicles of the current model year for which an average retail value has not been published in one of the reference manuals prescribed by the department, retail price shall be eighty-five (85) percent of the MSRP, including the MSRP of all equipment and accessories, standard and optional, and transportation charges.

Section 3. The following automotive reference manuals shall be followed for the valuation of the motor vehicles contained therein for motor vehicle usage tax, listed in order of prescribed use:

(1) Automobiles and light trucks:

(a) NADA Official Used Car Guide®;

(b) NADA Official Older Used Car Guide; or

(c) NADA Classic Collectible and Special Interest Car Appraisal Guide.

(2) Other trucks: NADA Official Commercial Truck Guide®.

(3) Miscellaneous vehicles:

(a) NADA Recreational Vehicle Appraisal Guide;

(b) NADA Van/Truck Conversion and Limousine Appraisal Guide; or

(c) NADA Motorcycle/Snowmobile/ATV/Personal Watercraft Appraisal Guide.

(4) General use: Automotive Invoice Service New Car Cost Guide.

Section 4. (1) If an affidavit of total consideration given is not available and a retail price based on MSRP is prescribed by statute, a copy of the window sticker or other documentation from the manufacturer showing MSRP and listing the base price, all equipment and accessories, standard and optional, and transportation charges shall be provided to the county clerk when a new automobile is presented for registration.

(2) An itemized statement showing the MSRP of any additional equipment and accessories installed by the dealer and not reflected on the window sticker shall also be provided to the county clerk.

(3) If the manufacturer's documentation does not include complete MSRP information, the department shall obtain MSRP information from available sources.

(4) If the manufacturer's invoice to the dealer does not contain MSRP information, the dealer shall provide the county clerk a copy of the manufacturer's invoice and provide an itemized list of all equipment and accessories, whether installed by the manufacturer or dealer, plus transportation charges.

(5) Taxable valuation shall then be determined through the use of MSRP information listed in this section provided in the price reference manual, prescribed in Section 3 of this administrative regulation, or other source of MSRP information.

Section 5. Forms. (1) The department forms applicable to this regulation are:

(a) Revenue Form 71A100, "Affidavit of Total Consideration Given for a Motor Vehicle"; and

(b) Revenue Form 71F001, "Kentucky's Taxation of Motor Vehicles for Motor Vehicle Usage Tax".

(2) These forms may be inspected, copied, or obtained, subject to applicable copyright law, at:

(a) The Kentucky Department of Revenue, 501 High Street, Frankfort, Kentucky 40620;

(b) A Kentucky Taxpayer Service Center, Monday through Friday, 8 a.m. to 4:30 p.m.; or

(c) The department Web site at <http://revenue.ky.gov>. (25 Ky.R. 1743; Am. 2126; eff. 2-25-1999; TAm eff. 5-20-2009; TAm eff. 6-28-2016; 44 Ky.R. 780, 1212; eff. 1-5-2018.)