

REG-1-021, Motor Vehicles Used by the Manufacturer Before Sale

021.01 Manufacturers of motor vehicles who withdraw such vehicles from inventory or stock for company purposes such as demonstrations, promotional or executive use, prior to the sale thereof, shall be required to pay a tax on such uses.

021.02 The tax shall be computed and paid monthly to the Department of Revenue by the motor vehicle manufacturer as part of his or her regular report of taxes due on the sale or use of taxable property and services.

021.03 The base on which the tax is to be computed shall be determined monthly by multiplying 2 1/2% times the total invoice cost to the distributors or dealers of vehicles of the same make, model, and accessory equipment. The base as so computed shall be multiplied by the tax rate in effect to arrive at the tax required to be paid.

(Section 77-2703(1)(k), R.S.Supp., 1993. May 14, 1994.)