



February 27, 2020

**Registration and Title Bulletin # 006-20
Policy and Procedure**

TO: All County Tax Assessor-Collectors

SUBJECT: Title Transactions for Certain Off-Highway Vehicles Purchased Out of State

PURPOSE

To provide guidance on processing title applications for certain off-highway vehicles purchased out of state due to House Bill (HB) 1543 enacted by the 86th Legislature.

DETAILS

HB 1543 added Transportation Code, Section 501.0301, requiring a title applicant to provide proof applicable use tax was paid to the Comptroller of Public Accounts (CPA) for certain year model off-highway vehicles purchased from an out of state dealer. The county tax assessor-collector cannot issue a title receipt until obtaining proof applicable use tax was paid or evidence the applicant is exempt from payment of the tax.

Off-highway vehicles for this purpose include all-terrain vehicles, recreational off-highway vehicles, utility vehicles, and off-highway motorcycles. Section 501.0301 only applies to off-highway vehicles with a model year less than or equal to one year from the date of title application.

Registration and Title System (RTS) Release 9.6 will accommodate collection of the sales price and use tax related information for certain year model off-highway vehicles purchased from out of state dealers. The data collected will not assess tax related fees, but will be used to generate a monthly report for the CPA. Further guidance on processing these transactions will be provided in the RTS Release Notes.

COUNTY ACTION

Effective March 1, 2020, do not process title applications for qualifying year model off-highway vehicles purchased from an out of state dealer unless the applicant provides evidence from the CPA that the applicant has paid the applicable use tax or is exempt from payment of the tax. If a title applicant cannot provide evidence, direct them to the CPA to obtain the necessary documentation. Attach a copy of the evidence provided to the completed title application.

CONTACT

If you have any questions, please contact your local Texas Department of Motor Vehicles Regional Service Center.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeremiah Kuntz".

Jeremiah Kuntz, Director
Vehicle Titles and Registration Division
JK:TT:KJ