

# HOUSE BILL No. 1708

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-2.5-5-8.

**Synopsis:** Sales tax on certain motor vehicles. Provides that certain transactions involving a new motor vehicle are exempt from the state gross retail tax.

**Effective:** July 1, 2003.

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### Klinker, Wolkins

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January 21, 2003, read first time and referred to Committee on Ways and Means.

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First Regular Session 113th General Assembly (2003)

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 2002 Regular or Special Session of the General Assembly.

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# HOUSE BILL No. 1708



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 6-2.5-5-8 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 8. **(a) As used in this**  
3 **section, "new motor vehicle" has the meaning set forth in**  
4 **IC 9-13-2-111.**

5 **(b) Transactions involving tangible personal property other than a**  
6 **new motor vehicle** are exempt from the state gross retail tax if the  
7 person acquiring the property acquires it for resale, rental, or leasing in  
8 the ordinary course of ~~his~~ **the person's** business without changing the  
9 form of the property. ~~However,~~

10 **(c) The following transactions involving a new motor vehicle are**  
11 **exempt from the state gross retail tax:**

12 **(1) A transaction in which a person that has a franchise in**  
13 **effect at the time of the transaction for the vehicle trade name,**  
14 **trade or service mark, or related characteristics acquires a**  
15 **new motor vehicle for resale, rental, or leasing in the ordinary**  
16 **course of the person's business.**

17 **(2) A transaction in which a person that is a franchisee**



1           **appointed by a manufacturer or converter manufacturer**  
2           **licensed under IC 9-23 acquires a new motor vehicle that has**  
3           **at least one (1) trade name, service mark, or related**  
4           **characteristic as a result of modification or further**  
5           **manufacture by the manufacturer or converter manufacturer**  
6           **for resale, rental, or leasing in the ordinary course of the**  
7           **person's business.**  
8           **(3) A transaction in which a person acquires a new motor**  
9           **vehicle for rental or leasing in the ordinary course of the**  
10           **person's business.**  
11           **(d) The rental or leasing of accommodations to a promoter by a**  
12           **political subdivision (including a capital improvement board) or the**  
13           **state fair commission is not exempt from the state gross retail tax, if the**  
14           **rental or leasing of the property by the promoter is exempt under**  
15           **IC 6-2.5-4-4.**

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