

yesterday, one page, page 8 of the amendment was distributed to the body of the Legislature. This amendment was not printed because it addresses Section 77-2703, the following statute in the occasional sale section of our sales tax statute. The amendment itself is the entire section of statute which is 15 pages long. The only change is that change contained on page 8 and I would read that for those of you that don't have that particular handout in front of you. And before I do that, I would address a problem. When the sales tax was instituted on May 1, 1967, this language was put in place at that time. Occasional sales by a private person by and large are exempted from sales tax except if that happens to be a motor vehicle. For the last twenty...what, 24 years nearly, 24 years almost exactly, a unique set of circumstances has existed in the motor vehicle area and to use some round numbers to try to explain this situation, if you, today, would purchase a motor vehicle that had a sale price of \$20,000 and you traded in a vehicle that had a value of \$10,000, at the time of registration of your new vehicle, you would pay the sales tax on the \$10,000 difference. If the dealer then turned around and sold the vehicle at retail for \$10,000, the trade-in, the purchaser of that vehicle would pay a sales tax on the \$10,000 for a total sales tax collection on the amount of the transaction, \$20,000 in total. However, if you purchased the vehicle for \$20,000 outright and sold your vehicle for \$10,000 privately, there is a sales tax collected on \$30,000 on a \$20,000 transaction. So what this amendment does then, and I would share with you that though the amendment, the language was drafted by the Department of Revenue, the Department of Revenue is not in support of this amendment because it makes the process a little bit more complicated than what it is now. The language of the amendment says, of course, the allowance for trade-in, the sales price shown upon another certified statement of a motor vehicle sold by the purchaser within 30 days of the date of purchase of the motor vehicle being registered. If the motor vehicle registered before the sale by the purchaser of another motor vehicle, the purchaser shall file an amended certified statement and receive the overpayment of tax from the county treasurer or the Department of Motor Vehicles. The certified statement that is referred to in this is what they commonly describe, and I have one in my hand, as Form 6. Each person who registers a vehicle, whether it's bought publicly or bought from a dealer or bought from a private individual, should have filled out a Form 6. So there is not another form involved in this, not the development of another form. The major impact of this, it will be or could