



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-14-009

October 3, 2014

UPDATED NOTICE TO ALL MOTORCYCLE AND ATV RETAILERS

Miss. Code Ann. Section 63-17-171 was originally passed into law during the 2008 Regular Session becoming effective July 1, 2008. There have been two subsequent amendments to the law that changed the treatment of the "Motorcycle/ATV Trauma Care Fee" levy prospectively from the effective dates of the amendments. Please see the "Subsequent Amendments to Miss. Code Ann. Section 63-17-171" section below for a description of these changes.

Effective July 1, 2008, Miss. Code Ann. Section 63-17-171, levied a point of sale fee of \$50.00 on the retail sales of all-terrain vehicles and motorcycles as defined by Miss. Code Ann. Section 63-21-05. Point of sale means the location of the retailer which transacts the sale. All-terrain vehicles are defined as a motor vehicle that is designed for off-road use and is not required to have a motor vehicle privilege license. ATVs include, but are not limited, to four-wheelers, utility vehicles, go carts and golf carts. Motorcycles are defined as every motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three (3) wheels in contact with the ground, excluding a farm tractor. The \$50.00 fee is referred to as the "Motorcycle/ATV Trauma Care Fee".

All Mississippi motorcycle and all-terrain vehicle retailers are required to collect the Motorcycle/ATV Trauma Care Fee of \$50.00 on every retail sale of a new or used motorcycle or all-terrain vehicle, even if the purchaser is an exempt entity. The Motorcycle/ATV Trauma Care Fee is in addition to the regular 7% sales tax collected on retail sales of motorcycles and ATVs. The \$50.00 Motorcycle/ATV Trauma Care Fee is not subject to the regular 7% sales tax.

The Motorcycle/ATV Trauma Care Fee is due on all sales of motorcycles and ATVs made in the State of Mississippi. Sales by a Mississippi dealer to residents of other states are also considered point of sale purchases and are subject to the fee, regardless if sales tax is due or not. The 48 hour drive out exemption for sales tax does not apply to the Motorcycle/ATV Trauma Care Fee.

The Motorcycle/ATV Trauma Care Fee is not due on motorcycles and ATVs **purchased** by Mississippi residents outside the State of Mississippi even if the vehicles are shipped or delivered to a location inside the State of Mississippi.

Subsequent Amendments to Miss. Code Ann. Section 63-17-171

Effective July 1, 2011, Senate Bill 2734, 2011 Regular Session, amended Miss. Code Ann. Section 63-17-171 to include **purchases** of new motorcycles not previously registered in another state and new ATVs in the Motorcycle/ATV Trauma Care Fee levy.

Effective May 23, 2012, Senate Bill 2368, 2012 Regular Session, amended Miss. Code Ann. Section 63-17-171 to exclude golf carts from the levy. The amendment also applied the administrative provisions of the Sales Tax Law to the levy which allows the purchaser to qualify for the exemptions provided in the Sales Tax Law. Some relevant exemptions include the exemptions available for exempt entities or the 48 hour drive out exemption.

The Motorcycle/ATV Trauma Care Fee return is an online form and can be filed using Taxpayer Access Point (TAP). The return has the same due date as the Sales Tax Return (by the 20th of the month following the reporting period).

The seller should provide a written statement to the purchaser, which may be printed on the sales receipt, that reads as follows: "\$50.00 of the amount that you paid for this vehicle will be used to fund the Mississippi Trauma Care System."

Please call this office at 601-923-7015, should you need additional information or assistance regarding this notice.