

ALL TERRAIN VEHICLES - (ATVs)  
SALES TAX LAW REQUIREMENTS  
CHAPTER 402, LAWS OF 1986

Effective January 1, 1987, Chapter 402 of the Laws of 1986, amends sections 1132(f) and (g) of Article 28 and section 1214(d) of Article 29 by providing the following:

1132(f) - All Terrain Vehicles (ATVs), as defined by the Vehicle and Traffic Law, are added to the motor vehicles, snowmobiles and vessels currently listed in this provision requiring new owners to satisfactorily prove that any sales or use tax due on the purchase price of a motor vehicle, snowmobile or vessel has been paid before it can be registered by the Commissioner of Motor Vehicles.

1132(g) - Authorizes each county clerk to act as agent of the State Tax Commission to collect any sales or compensating use tax due before registering an All Terrain Vehicle. This subsection also provides that a county clerk shall keep \$1.00 for each of the first 5,000 tax clearance certificates issued by such clerk during an annual period, in reviewing motor vehicle, snowmobile, vessel or ATV registration applications, and \$.75 for each tax clearance certificate in excess of 5,000.

1214(d) - Provides that an All Terrain Vehicle is included under the requirement that the Commissioner of Motor Vehicles will not issue a registration until the owner furnishes satisfactory proof that any sales or compensating use tax imposed by a particular city or county has been paid or proof that no tax is due (except in the case of a renewal of registration by the same owner).

Note: The Vehicle and Traffic Law defines All Terrain Vehicles as "any self-propelled vehicle which is manufactured for sale for operation primarily on off-highway trails or off-highway competitions and only incidentally operated on public highways." All Terrain Vehicles are subject to sales and use tax at the higher of the combined rate (state and local) in effect at the point of delivery or place of residence.