Section: 4. Motor Vehicle Registration Requirements

Effective Date: 05/01/1986

Revised: 10/07/2021

Authority:
R.S 47:303
To view Louisiana Statues, visit http://www.legis.state.la.us/

Objective: Louisiana law requires payment of road usage tax for all motor vehicles imported to this state for use upon the highways of Louisiana. Payment of road usage tax is required prior to issuance of a Louisiana title or registration. The policy outlines usage tax requirements for vehicle registration in Louisiana.

Definitions:
- Domicile - The physical address where a vehicle is stationed. Domicile will be used to determine the rate of used tax assessed.
- National Automobile Dealers Association (N.A.D.A.) - A vehicle valuation guide
- Road Use Tax - Tax imposed on tangible personal property being transferred into the state of Louisiana for use. Road Use tax differs from sales tax in that sales tax is assessed on the sales price of the vehicle, rather than the value specified in N.A.D.A.

Requirements:
- Vehicles Titled in Another State - In order to transfer a vehicle to Louisiana, which has already been titled/registered in the applicant's name in another state, the following documents must be submitted:
  o A Vehicle Application (DPSMV1799) form completed and signed by the owner, including “Section F: Out of State Declaration” on the page 2 of the form.
  o One of the following:
    ▪ The original out-of-state certificate of title, if no lien is recorded
    ▪ If the original certificate of title is being held by a lienholder, a copy of the title or a vehicle registration indicating the lienholder’s information must be presented with the file. For additional information, refer to Section 4, Policy 16.00, Foreign Title Held by Lienholder.
  o A copy of each owner's driver's license or identification card issued by this state or another state, if a license plate is to be issued.
  o Proof of current liability insurance, if requesting a vehicle registration with the title. The insurance company must be authorized to do business in Louisiana.
  o Applicable tax, title, and license fees
• Vehicle Purchased (but not titled) in the Applicant's Name in Another State - Applicants who purchase a vehicle out-of-state and paid use or sales tax to that state are allowed credit against the state and local use taxes imposed in Louisiana for the full rate of sales or use tax paid to the other state, as indicated on the Tax Credit Reference Chart (shown below). The following documents are required:
  o A Vehicle Application (DPSMV1799) form completed and signed by the owner
  o Manufacturer's Statement of Origin (MSO) or out-of-state title properly assigned and notarized, if applicable, to the applicant
  o Original itemized invoice from dealer to purchaser, if applicable, inclusive of:
    ▪ A complete description of the vehicle (make, year, model, body style, and vehicle identification number)
    ▪ Amount of taxes collected and remitted to that state, if applicable
  o Properly completed odometer disclosure statement, if applicable
  o Original or copy of properly completed UCC-1 form (financing statement) or other security agreement, if a lien is to be recorded
  o A copy of each owner's driver's license or identification card issued by this state or another state, if a license plate is to be issued.
  o Proof of current liability insurance, if securing vehicle registration with the title. The company must be authorized to do business in Louisiana.

• Out-of-State Transfers for Active Duty Military - Refer to Section 4, Policy 50.00, Tax Registration Exemption for Military Personnel Nonresident Students for additional information.

• Tax Credit for Transfer from Parent to Child - When a vehicle is being transferred to Louisiana and has been assigned from a parent (or legal guardian) to a child, tax credit may be given when the vehicle actually belonged to the child but was titled in the name of the parent (or legal guardian) for insurance purposes. All of the following criteria must be met:
  o A notarized affidavit must be submitted, attesting to the relationship of the two parties must be submitted.
  o This affidavit must be signed by the individual listed on the out-of-state title.
  o The vehicle must have been titled in a state for which Louisiana has a reciprocal agreement to allow road use tax credit.
  o The child must have been a minor when the out-of-state title was issued.

Fees:
• $68.50 Title fee
• $8.00 Handling fee
• License plate fee, if applicable
• Mortgage Fee
  o If the original out-of-state title indicates an outstanding lien, a $10.00 mortgage recordation fee is required.
  o If a UCC-1 form is presented to record the lien, a $15.00 recordation fee is required.
    ▪ If another type of security agreement is presented, a $10.00 mortgage recordation fee is required.
- **Road Use Tax** - Shall be assessed on vehicles imported for use as follows:
  - Road use Tax due is based upon:
    - N.A.D.A Official Used Car Guide – The loan value of the vehicle being titled
    - N.A.D.A. Valuation Guide (Online) – Average Trade-In of the vehicle being titled
    - Antique vehicle files that do not return an average trade value on N.A.D.A. must be taxed on the low retail value listed on the N.A.D.A. Valuation Guide (Online) or the file must be accompanied by a letter from a dealership authorized to sell that type of vehicle, on letterhead, indicating the value.
    - Trailers will not return a value on NADA. The file must contain a letter from a dealership authorized to sell trailers, on letterhead, indicating the value.
    - Motorhomes that do not return an average trade value on N.A.D.A. must be accompanied by a letter from a dealership authorized to sell that type of vehicle, on letterhead, indicating the value.
  - Newer model vehicles, not indicated in the NADA guide, shall be assessed road use tax based on the original invoice price less 15% to determine the current taxable value.
  - Road use tax, shall be assessed at the following rate(s):
    - State Tax
    - Parish/municipality tax shall be assessed based on the rate at the location in which the vehicle is domiciled.

- **Tax Credit Reference Chart**
  - The chart below indicates the amount of state tax assessed by each jurisdiction. Tax credit, in excess of the rate indicated below, will be granted only if the applicant submits proof of additional sales or use tax paid to the reciprocal state.
  - Tax credit may be granted up to the amount of sales or use tax due. In some cases, the applicant will only owe title, license, and handling fees.
  - Credit is not allowed for the payment of ad valorem tax.
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<th>State</th>
<th>Code</th>
<th>% Tax Credit</th>
<th>Reference (See Below)</th>
<th>State</th>
<th>Code</th>
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**Table References:**

1. Taking delivery of a motor vehicle in this state by a resident or nonresident requires the payment of state sales tax.
2. A certificate of title, dealers invoice showing tax, bill of sale showing tax, or receipt from the taxing authority are proof of taxes paid.
3. Proof of payment is a certificate of registration showing taxes, dealers’ invoice showing taxes, or receipt from the taxing authority.
4. Proof of payment is a receipt from the taxing authority or other documentation showing taxes paid to the state.
5. Leased vehicles are exempt from Louisiana sales/use taxes if the lessor:
   A. Holds a valid sales tax exemption number with the Department of Revenue and Taxation regarding sales tax exemptions for lease/rental vehicles.
   B. Can show proof of payment, other than a certificate of title, of sales/use taxes to the other state.