Louisiana Department of Public Safety
Office of Motor Vehicles
Policy 53.00 Even Trade

Section: 4. Motor Vehicle Registration Requirements

Effective Date: 10/13/1985

Revised Date: 10/01/1996

General:

- "Even trade" is defined as vehicles of equal value.
- All paperwork concerning both vehicles must be submitted for transfer between individuals at the same time, if being titled in Louisiana. Both parties are not required to be present. The code "EV" should be entered into the "no-tax" field. The "tax value" field must be left blank. At least 75% of the NADA retail value should be entered in the "trade-in" field.
- The Department of Revenue and Taxation authorizes recognizing taxes paid to another state on an even trade. A vehicle titled in another state and traded to a Louisiana resident as an even trade will receive reciprocal credit for the state portion of the taxes paid to the other state. The out-of-state abbreviation must be entered in the tax credit field. See Section IV, Policy/Procedure Statement #48.0. The local parish and municipalities taxes would be due on 75% of the NADA average retail value of the vehicle. IN THIS SITUATION, DO NOT ENTER "EV" IN THE "NO-TAX" FIELD.
- **Trade of Unequal Value:**
    - If a vehicle of lesser value is traded for a vehicle of a greater value, then tax is due on the difference.
    - Example: John Doe has a vehicle valued at $1,000.00 and trades with Jack Smith who has a vehicle valued at $5,000.00.
        - John Doe will pay 4% state tax plus applicable parish/municipality tax on $4,000.00. The "no-tax" field must be left blank.
        - Jack Smith will not pay any tax and "EV" must be entered in the "no-tax" field.