



Louisiana Department of Public Safety
Office of Motor Vehicles
Policy 55.00 Penalty and Interest

Section: 4. Motor Vehicle Registration Requirements

Effective Date: 10/01/1991

Revised Date: 08/27/2024

Authority:

[R.S. 47:306](#)

[R.S. 47:503](#)

To view Louisiana Statutes: <http://www.legis.state.la.us/>

Definitions:

- **Penalty** - A fine for late payment that is assessed, if the sales or use tax is not paid timely
- **Interest** - Additional money owed on nonpayment and late payment of taxes
- **New Motor Vehicle Dealer** - Dealer licensed by the [Louisiana Motor Vehicle Commission \(LMVC\)](#) authorized to sell, publicly solicit, and advertise the sale of motor vehicles
- **Used Motor Vehicle Dealer** - Dealer licensed by the [Louisiana Used Motor Vehicle Commission \(LUMVC\)](#) authorized to buy, sell, broker, trade, auction at retail or public, or rent used motor vehicles

General:

- Sales tax on vehicle sales, **not** including mobile homes, is due by the 40th day following the date of sale, to avoid penalty and interest.
 - Sales tax on mobile home sales is due by the 20th of the month following delivery of the mobile home.
 - If the applicable due date falls on a weekend or a holiday, the last official business day before the weekend or holiday is used as the effective date.
- **Penalty**
 - Penalty accrues at the rate of 5% of the tax for each thirty (30) days that the tax is delinquent for both state and parish/municipality taxes due. Penalty will not exceed a maximum of 25% of the tax.
 - Only penalty may be waived by the Commissioner of the Office of Motor Vehicles, or designee, for reasonable cause and upon receipt of a written request.
- **Interest**
 - **Sales Prior to 01/01/2023** – Interest accrues at the rate of 1.25% per month for state and parish/municipality taxes due, until all taxes have been paid.
 - **Sales on or after 01/01/2023** – Interest will be assessed at 1% per month for parish and municipality taxes due. State tax interest will remain at 1.25%.
- **Vendor's Compensation:**
 - Vendors' compensation is not allowed when penalty or interest is charged.

Requirements:

- **Dealer Responsibility**
 - Sales tax shall be remitted ten (10) days from receipt by the licensed vehicle dealer of the title to any vehicle accepted in trade.
 - If the title is received by the dealer in excess of thirty (30) days from the date of sale, the deadline for the submission of taxes **cannot** be extended under this provision beyond the 90th day from the date of the sale.¹
 - Any licensed vehicle dealer claiming under this provision an extension for the remittance of taxes beyond the 40th day from the date of vehicle sale shall document, through a means satisfactory to the vehicle commissioner, the actual date that the dealer received the title to the vehicle accepted in trade.
- **Delivery of Motor Vehicle in Certain Situations**
 - A notarized affidavit of facts verifying the delivery date can be accepted if the file covers:
 - A vehicle which has gone through second stage manufacturer
 - A vehicle that is being delivered to a Louisiana purchaser by a Louisiana dealer as a courtesy on behalf of an out-of-state dealer.
 - The date indicated on the affidavit will be used as the tax date.
- **Rejections**
 - Applications that are not rejected (for any reason) are subject to penalty and interest.
 - When an application for registration is rejected for any reason, the time limit for re-submitting the application will be extended for a single period of thirty (30) days from the date the rejected application is received back by the applicant.²
 - If the applicant reapplies for registration within the thirty (30) day extension, penalty and interest will **not** be charged for that period of time.²
- **Penalty/Interest Assessed on Vehicles Imported for Use in Louisiana:**
 - Penalty/interest is due based on the purchase or delivery date, unless the applicant states that the vehicle was not brought into this state until a later date.
 - The file must be accompanied by a signed *Vehicle Application* ([DPSMV1799](#)). The *Out-of-State Declaration* section must be completed.
 - The date indicated in the declaration section will be used as the tax date.

Related Policies:

Section 4, Policy 2.00, [Basic Requirements for Obtaining a Certificate of Title](#)

Section 4, Policy 47.00, [Sales Tax on Vehicle Transfers](#)

Section 4, Policy 48.00, [Out-of-State Transfers and Reciprocity with Other States](#)

References:

¹ – Louisiana State Legislature. *Returns and Payment of Tax; Penalty for Absorption* (R.S. 47:306), retrieved from <https://legis.la.gov/Legis/Law.aspx?d=101926>.

² – Louisiana State Legislature. *Application for Registration* (R.S. 47:503), retrieved from <https://legis.la.gov/Legis/Law.aspx?d=102299>.