

INSTRUCTIONS

Legal Basis Of The Tax

Senate Bill 1116 implemented by Metropolitan Council NO. BL 2007-1557.

Exemptions

Surcharge or tax will not apply to any automobile rented as a replacement vehicle, the cost of which is covered by insurance or by a business that rents a truck or trailer for the purpose of transporting goods, or by any individual or business that rents a vehicle as a replacement while the renters vehicle is being repaired, replaced or serviced; provided further, that the individual presents to the renter upon return of the rented vehicle a copy of the repair or service invoice or signs a statement under penalty of perjury that the lease or rental of the vehicle is used as a replacement for a vehicle that is being repaired, replaced or serviced. The surcharge or tax shall not apply to any vehicle rental transaction in which an entity whose principal business activity is the sale or service of new and used motor vehicles is the renter. This tax do not apply to the rental of motor vehicles to a church, or the rental of motor vehicles to a nonprofit religious organization that has received a determination of exemption from the internal revenue service under 501(c)(3) of the Internal Revenue Code and is currently operating under it.

FORMS TO BE USED IN REPORTING TAX

Forms will be forwarded to you each month. Only these forms should be used in filing your return. Please do not use any other.

INTEREST AND PENALTIES

A return becomes delinquent when not paid by the 20th of the month following the month for which the report is submitted. The imposition of interest and penalties in the case of a delinquent return or in the case of willful failure or refusal to report is mandatory and there is no authority for the remission of interest and penalty. Penalties are also imposed for willful failure to collect the tax.

RECORDS

Records should be preserved for a period of three years at your principal place of business or at some other location convenient to the County Clerk or his representative and should be available at any time for inspection.

TAX TO BE SHOWN ON INVOICE

The tax should be shown always as a separate item on the invoice, or statement of charges, rendered to the customer.