

TRANSACTIONS NOT SUT EXEMPT

Transaction	Description	PAY SUT Greater of SUT on the Sale Price/ NADA Trade-In <sup>1,2</sup> , or Minimum SUT (if applicable)	Reference
Abandoned Vehicles Titled to AVP Applicant	AVP vehicles titled to the person who entered it into the AVP are required to pay SUT due on NADA trade-in value <sup>1,2</sup> , or minimum SUT, whichever is greater.	Yes	<a href="#">VLIC-3.305</a>
Beneficiary Designated	Transferred to the beneficiary designated on the title record after the death of the owner (retitled within 120 days of owner death). BENEFICIARIES who are also the deceased vehicle owner's spouse, son,-daughter, or parent MAY QUALIFY FOR the <a href="#">Family Member (F)</a> SUT exemption; refer to the <a href="#">FAMILY "F"</a> exemption on the SUT Exemptions Guidelines table for qualifications.	Yes	<a href="#">VLIC-3.506</a>
Business Owner of 50% or Less of Business Titles in his Name	Business owner without majority ownership of business (50% or less) titles business vehicle in his name.	Yes	---
Business Takeover	Business takeover and the buying entity titles vehicles into the new business name.	Yes	---
Church Titling and Registering Donated Vehicle	If a church titles and registers a donated vehicle, the greater of SUT on NADA trade-in value <sup>1,2</sup> or minimum SUT is due. <b>NOTE:</b> Check the <a href="#">Church Bus (CB)</a> tax exemption to see if the vehicle qualifies in accordance with Va. Code § <a href="#">58.1-2403</a> (14).	Yes	---
Clean Fuel Vehicle	Fueled by natural gas, liquefied natural gas or petroleum.	Yes	<a href="#">VLIC-4.315</a>
Court Order-Divorce	Directing DMV to transfer the ownership of a vehicle to a spouse as part of a divorce settlement.  <b>CUSTOMERS MAY QUALIFY FOR <a href="#">Family Member (F)</a> SUT exemption ONLY if vehicle is gifted to spouse son, daughter or parent.</b>	Yes (Unless joint owner gives vehicle to spouse)	Va. Code § <a href="#">46.2-633</a>
Dealer Gift-Spouse/Child	Dealer gifting vehicle from inventory for resale to spouse or child.	Yes	Informational Bulletin (IB)-005 (22/1/1991) <a href="#">Front Counter CSR#3</a>
<<<<<REVISION Farm Vehicles without Farm Use Placard <sup>3</sup>	Vehicles that were exempt from SUT when titled and issued a Permanent Farm Use Placard are required to pay SUT based on the vehicle's current market value at the time such vehicle is registered for a nonexempt use, the Permanent Farm Use Placard is surrendered, or the vehicle is sold to a person that does not qualify for the FP exemption.  NOTE: Ensure that prior to issuing a registration, the FP exemption is removed from the vehicle record and that the appropriate amount of SUT is collected based on the NADA current market value of the vehicle, not the sales price of the vehicle.	Yes	<a href="#">VLIC-4.215</a> <a href="#">58.1-2403</a> (30) END REVISION>>>>>
Gift (X)	Title transferred as a gift to someone OTHER THAN the spouse, son, daughter, or parent of the transferor. CSR must key the "X" code for these transactions. <b>NOTE:</b> CSR must enter the "X" code.	Yes	---
Lemon Vehicle-Replaced with Higher Value Vehicle	Vehicle designated as a "lemon" replaced with a vehicle of higher value. <ul style="list-style-type: none"> <li>▪ SUT is paid on the difference in value.</li> <li>▪ Must submit letter from manufacturer or distributor stating vehicle is a replacement received under the Virginia Motor Vehicle Warranty Enforcement Act (Virginia Lemon Law).</li> </ul>	Yes (Must pay SUT on difference in price)	<a href="#">59.1-207.9</a> et. seq.
Manufactured Home (H)	Use Manufactured Home tax code H at time of titling to record collection of the 3% manufactured home SUT. Tax code H does NOT exempt SUT.  <b>MANUFACTURED HOMES</b> permanently attached to, and included in the sale of real estate (converted to real estate), follow guidelines in <a href="#">VLIC-102C</a> .	Yes (Pay 3% Manuf. Home SUT)	---
Manuf. Home-Converted to Real Estate	Manuf./mobile home converted to real estate. No title transaction is processed in this case; no SUT is due.	N/A (No transaction processed in system)	<a href="#">VLIC-3.440</a>

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Mechanic's or Storage Lien Vehicle Transferred to MSL Applicant	MSL lienholders who are not licensed motor vehicle dealers and who are titling the MSL vehicle in their name must pay SUT when any ONE of the following conditions is true: <ul style="list-style-type: none"> <li>Vehicle is valued at greater than \$3,000, or</li> <li>Vehicle is less than 6 years old, or</li> <li>A vehicle record IS found in the system</li> </ul>	Yes	<a href="#">46.2-644.03</a> <a href="#">VLIC-3.345</a>
	ALL LICENSED MOTOR VEHICLE DEALERS who hold an MSL lien for a vehicle that is being titled into the dealership's name for resale are exempt from SUT under the <a href="#">DEALER EXEMPT (D)</a> , regardless if a record was found, or the year or value of the MSL vehicle.		
Moped/ATV/Off-Road Motorcycle	Mopeds, All-Terrain Vehicles (ATV), and off-road motorcycles, as defined in Va. Code § <a href="#">46.2-100</a> , being titled and garaged in VA are subject to SUT at time of titling. SUT is charged at <a href="#">different tax rates</a> .	Yes	<a href="#">46.2-100</a>
	<ul style="list-style-type: none"> <li>Mopeds, ATVs, and off-road motorcycles purchased in a casual sale, titled in VA but garaged out-of-state are tax exempt (refer to <a href="#">Mopeds/ATVs/Off-Road Motorcycles (MB)</a> in SUT Exempt Transaction Guidelines table above).</li> <li>Mopeds, ATV's, and off-road motorcycles that are eligible for an agricultural exemption, as provided in Va. Code § <a href="#">58.1-609.2</a> (refer to <a href="#">Mopeds/ATVs/Off-Road Motorcycles (A)</a>).</li> <li>Dirt bikes sold and titled as dirt bikes are exempt from paying SUT.</li> <li>Dirt bikes converted and sold as on-road motorcycles are NOT SUT exempt.</li> </ul>		
NATO Member-Titling Vehicle in VA	NATO military force members who purchase and title a vehicle in Virginia. <b>NOTE:</b> Do not confuse with the <a href="#">Out of State Tax Credit</a> exemption for NATO members who hold a title or registration <b>issued by a foreign government</b> .	Yes	<a href="#">Out of State tax credit</a>
Nonnegotiable Title	<ul style="list-style-type: none"> <li>Nonnegotiable titles being issued for imported vehicles for applicants unable to prove compliance with Federal Motor Vehicle Safety Standards (FMVSS) (refer to <a href="#">VLIC-3.330</a>).</li> <li>Nonnegotiable titles being issued for vehicles that have been rebuilt/ repaired, titled and registered out of state that have an OOS or NMVTIS brand/status that is equivalent to VA's nonrepairable vehicle (junk, for destruction, parts only, not to be repaired, etc.), (refer to <a href="#">VLIC-3.347</a>).</li> </ul>	Yes	<a href="#">VLIC-3.347</a> <a href="#">VLIC-3.555</a>
Prize Winnings (G)	Customers winning a vehicle in a raffle, lottery, etc. <b>NOTE:</b> Vehicles won as a prize is processed using the tax code "G".	Yes	---
Repossessed-Refinanced	Repossessed and refinanced to owner under new contract. Repossessed and registered in lienholder name.	Yes	<a href="#">VLIC-3.125</a> <a href="#">VLIC-3.625</a>
Second-Stage Manuf. Vehicle	Vehicle chassis and body purchased separately and combined.	Yes	<a href="#">VLIC-3.220</a>
Seized Vehicle	Purchased from U.S. Internal Revenue Service or U.S. Alcohol, Tobacco, and Firearms Unit, by jurisdiction of the court, or law enforcement agency.	Yes	<a href="#">VLIC-3.360</a>
Special Equipment-Handicapped	Special equipment installed on a vehicle as required by law to allow for safe operation by handicapped driver. <b>NOTE:</b> SUT is paid on the base price of the vehicle, but not on the cost of the special equipment required by law to allow safe operation of the vehicle by a handicapped person (refer to Va. Code § <a href="#">58.1-609.10</a> ).	Yes	<a href="#">SUT 5</a>
Trailer Kit-Assembled	Trailer kits assembled and sold by dealers are charged Motor Vehicle SUT.	Yes	<a href="#">VLIC-3.235</a>
Trailer-Homemade	Trailers-homemade MUST pay SUT on the greater of: <ul style="list-style-type: none"> <li>The dollar amount invested in the construction of the homemade trailer, or</li> <li>The minimum SUT.</li> </ul>	Yes	<a href="#">VLIC-3.235</a>
Transfer Title with Lien-Assume Balance of Loan	Transfer of title with lien when buyer assumes balance of seller's lien at time of purchase (buyer was not on original contract). Pay the greater of SUT due on the balance of the loan plus any monies paid to seller, or minimum SUT.	Yes	<a href="#">VLIC-3.625</a>

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Vehicle Trade	Trade of one vehicle for another with no additional exchange of value. Each owner must pay SUT for vehicle purchased based on NADA trade-in value, or minimum SUT if greater.	Yes	----
VIN Discrepancy Correction	VIN discrepancy resulting from incorrect paperwork sent by dealer or customer, for which a corrected title is issued. No SUT is collected on the corrected substitute title.	N/A (Substitute title)	<a href="#">VLIC-3.455</a> Va. Code § <a href="#">58.1-609.10</a>
<p><sup>1</sup> Minimum SUT requirements do NOT apply to mopeds, ATVs or off-road motorcycles. SUT for these vehicles is calculated based on the actual sales price.</p> <p><sup>2</sup> No NADA trade-in value is available for mopeds, ATVs, and off-road motorcycles vehicles; therefore SUT is based on the <b>NADA average retail value</b> when there is no sales price (refer to the <a href="#">Internet NADA Guide</a>).</p> <p>&lt;&lt;&lt;&lt;&lt;REVISION</p> <p><sup>3</sup> SUT owed is to be calculated based on the current market value of the vehicle, not the NADA trade-in value. <b>END REVISION</b>&gt;&gt;&gt;&gt;&gt;</p>			