

**Subject** Motor vehicle sales tax exemption for road maintenance vehicles

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## Overview

The bill expands the existing motor vehicle sales tax exemption for town purchases of road maintenance vehicles such as snow plows and dump trucks to purchases of these vehicles by other local governments. Purchases of cars, vans, and pickup trucks remain taxable. Local governments eligible for this exemption will now include:

- statutory and home rule charter cities,
- counties,
- towns, and
- instrumentalities of the above entities, including a special district organized under a joint power agreement where the majority of the members consist of cities, towns, or counties.

The rest of the changes in the bill are organizational in nature. It breaks the existing section of law listing motor vehicle sales tax exemptions, which is currently one paragraph, into individual subdivisions to make it more readable. It also corrects some minor grammatical errors in the existing language. The new statutory organization mirrors how exemptions are listed in the general sales tax law.

Effective for sales and purchases made after June 30, 2019.