

# WASHINGTON STATE DEPARTMENT OF REVENUE

## SPECIAL NOTICE

For further information contact:  
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### **State of Washington Vehicle Tax and Licensing Requirements for Persons in the Military Services**

This notice is part of the Washington State Department of Revenue's continuing educational efforts and is intended to inform you of Washington's vehicle tax and licensing requirements and available exemptions for persons in the military services.

The State of Washington has several taxes that apply to vehicles: Motor Vehicle Excise Tax (licensing fees), Sales Tax, and Use tax. Following is a general explanation of each of these taxes and a discussion of the exemptions that are available for qualifying military personnel.

**Motor vehicle excise tax (MVET)**, commonly known as a "**licensing fee**," is generally due upon the purchase or first use of a vehicle in this state and annually thereafter. In most instances, this tax is paid to the Washington State Department of Licensing, but the Department of Revenue will also collect this tax in some cases.

**MVET - Licensing exemption**—Active duty military persons stationed here are exempt from the State of Washington's vehicle licensing requirements if the vehicle is registered in the jurisdiction of the person's home of record (outside of the State of Washington). Soldiers and Sailors Relief Act section 514 as construed by *Sullivan v. U.S.* 395 U.S. 169 (1969).

**Sales tax** is generally due when a vehicle is purchased or leased in this state. The tax rate varies between 7.0 and 8.2 percent of the purchase price or monthly lease amount.

**Sales tax exemption**—Military personnel may purchase a motor vehicle, trailer or camper for use outside this state without payment of retail sales tax or motor vehicle excise tax, if all of the following requirements are met:

- ◆ It will not be required to be registered and licensed under Washington's laws. (In most cases, a nonresident military purchaser is not required to license a vehicle in this state); and
- ◆ It will be used in Washington less than three months; and
- ◆ The motor vehicle, trailer or camper will be registered immediately under the laws of the purchaser's home of record.

The vehicle must be registered immediately under the laws of the military purchaser's home state. To meet this requirement, license plates from the military purchaser's home state must be affixed to the vehicle at the time of

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sale; or the purchaser of a motor vehicle may apply for such license plates at the time of sale and remove the vehicle from the dealer's premises under the authority of a 45-day nonresident military temporary license (45-day permit) issued by the Washington State Department of Licensing. The military purchaser may not use the vehicle in this state more than three months. RCW 82.08.0264.

However, if a military purchaser places the car in the separate name of a spouse or other family member living in Washington who is not an active duty member of the armed forces, then the car is required by law to be registered and licensed in this state. The military purchaser would be required to pay sales tax.

**Use tax** is generally due when Washington retail sales tax has not been paid by military personnel on a vehicle used in this state, except as exempted below. Soldiers and Sailors Relief Act section 514 as construed by *Sullivan v. U.S.* 395 U.S. 169 (1969). The tax rate varies between 7.0 and 8.2 percent, and is due on the value of the vehicle at the time of first use in Washington on vehicles you have purchased. Any sales tax or use tax previously paid in another state or country may be deducted from the amount of use tax due in Washington.

### **Use Tax Exemptions**

**Exemption A:** No use tax is due on automobiles and pickups (up to one ton) purchased outside of Washington at least 90 days before first use here if the following requirements are met:

- ◆ if purchased by members of the armed forces whose home of record is elsewhere; and
- ◆ who are stationed in Washington pursuant to military orders; and
- ◆ if such articles were acquired and used by such person in another state while their home of record was outside this state.

Motorcycles, motor homes, water craft, automobiles and trucks over one ton do not qualify for this exemption. RCW 82.12.0251.

**Exemption B:** Also, motor vehicles and trailers are exempt of the state of Washington's use tax if acquired by active duty military persons with a home of record in this state while stationed outside of the State of Washington. This use tax exemption does not apply to members of the armed services called to active duty for training, nor does it apply to motor vehicles and trailers acquired less than 30 days before discharge or release from active duty. RCW 82.12.0266.

For more information on the taxes discussed in this Special Notice and to obtain a use tax assessment form, please contact the Department of Revenue's Taxpayer Information Center at 1-800-647-7706. If you need to license your vehicle and pay any related taxes, please contact the Washington State Department of Licensing's Vehicle Services Division at (360) 902-3813 or contact your local license agent listed in the yellow pages of the telephone book under License Services.

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