



5 ELL
Motor Vehicle

COMMONWEALTH of VIRGINIA
Department of Taxation
Richmond, Virginia 23282

MEMORANDUM

TO: Joe Cummings, Audit Supervisor
Roanoke District Office

DATE: January 26, 1988

Joe:

This replies to your January 19 memorandum concerning the application of sales tax to repair/replacement parts purchased by motor vehicle lessors.

Although the wording in Section 630-10-67(c) of the Virginia Retail Sales and Use Tax Regulations may be somewhat confusing, the intent of the 1985 revision was to exempt all repair/replacement parts purchased by motor vehicle lessors for installation on leased vehicles. The exemption applies regardless of the location of the vehicle or the lessor, or the term of the lease. Exempt purchases may be made under a resale exemption certificate, Form ST-10.

If you have any further questions, let me know.

Ronald L. Holt, Supervisor
Technical Services Section
Office Services Division

RLH/slp

✓ bcc: Tim Winks
Tax Policy Division