

COUNTY TAX ASSESSOR-COLLECTORS

Taxes on Salvage Vehicles That Are Not Repaired



Salvage vehicles that have not been repaired are not “motor vehicles” and are not subject to motor vehicle sales or use tax when sold or given away. Instead, salvage vehicles are taxed in the same manner as other personal property and are subject to limited sales and use tax (6.25 percent state tax and up to 2 percent local tax).

When a customer has purchased a salvage vehicle, you are not required to collect motor vehicle sales tax or to verify that limited sales tax has been paid.

Because by law, a salvage vehicle is not a “motor vehicle,” the seller is not required to sign the Application for Texas Certificate of Title/Tax Statement (130-U).

If you have any questions, please contact my office toll free at 1-800-252-1382, in Austin at 512/463-4600, or by e-mail at tax.help@cpa.state.tx.us. If you're calling from a Telecommunications Device for the Deaf, the toll-free number is 1-800-248-4099, or in Austin at 512/463-4621.

Carole Keeton Strayhorn • Texas Comptroller

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