

**Revenue Information Bulletin No. 25-011
February 13, 2025
Sales and Use Tax**

Calculation of Use Tax on Vehicles Registered by New Residents

Act 11 of the 2024 Third Extraordinary Session of the Louisiana Legislature enacted La. R.S. 47:302(D)(1) which limits the use tax due on certain motor vehicles registered by new residents to no more than \$90.

Louisiana sales and use tax is levied on all motor vehicles registered in this state subject to a credit for taxes paid on the vehicle in another state provided that the other state grants a similar credit. The credit is calculated by applying the rate paid in the other state to the cost price subject to Louisiana use tax at the time of registration and is applied against the Louisiana state and local use tax¹.

For qualifying vehicles registered on or after January 1, 2025, La. R.S. 47:302(D)(1) provides that after application of the credits provided in La. R.S. 47:303(A)(3) and 337.86, the use tax owed on a motor vehicle registered by a new resident of Louisiana cannot exceed \$90. To qualify, all of the following conditions must be met:

1. The vehicle is primarily used for personal purposes.
2. The vehicle was previously registered in the name of the new resident in any other state or was previously leased to the new resident in another state.
3. The vehicle is registered within 90 days of being brought into Louisiana.

If the credits granted in La. R.S. 47:303(A)(3) and 337.86 reduce the use tax to less than \$90, the taxpayer owes that lower amount. The cap imposed by La. R.S. 47:302(D)(1) only applies if the amount due after credits exceeds \$90.

Questions about this Bulletin may be submitted by email to Policy.Publications@LA.gov.

Richard Nelson
Secretary

¹ See R.S. 47:303(A)(3) and 337.86