Glenn Hegar
Texas Comptroller of Public Accounts

Motor Vehicle Dealer's Special Inventory

Instructions for Filing Forms and Paying Property Taxes

April 2022

By publishing this manual, the Texas Comptroller of Public Accounts is providing general information. The information is provided as a public service and is intended to be used solely for informational purposes. This publication does not address all aspects of law applicable to motor vehicles dealers' special inventory, and the Comptroller's office is not offering legal advice. The information contained in this manual neither constitutes nor serves as a substitute for legal advice. Questions regarding the meaning or interpretation of statutes, legal requirements and other matters should, as appropriate or necessary, be directed to an attorney or other appropriate counsel.

Dealers' motor vehicle inventory laws are found primarily in Tax Code Sections 23.121, 23.122, and 23.123.

Table of Contents

Special Inventory Appraisal 1

Definitions for Tax Code Section 23.121 1

Definitions Tax Code Section 23.122 3

Dealer's Instructions for Filing Forms and Paying Property Taxes 3

- Step 1 – Dealer files the *Dealer Motor Vehicle Inventory Declaration* form 3
- Step 2 – Owner files the *Dealer's Motor Vehicle Inventory Tax Statement* 4
- Step 3 – Dealer makes a prepayment of taxes 5
- Step 4 – County tax collector pays annual inventory taxes from escrow account 5

Agreement to Pay Current Taxes by Contract 5

Chief Appraiser Inspection of Documentation 6

Confidential Information 6

Questions 6

- Declaration Form 50-244 7
- Election for Rendition Form 50-815 10
- Monthly Tax Statement Form 50-246 12

Motor Vehicle Dealer's Special Inventory

Special Inventory Appraisal

For property tax purposes, Texas law requires that a motor vehicle dealer's inventory is appraised based on the total sales of motor vehicles in the prior year. Except as provided by Tax Code Section 23.122(l), dealers must file with the county appraisal district a *Dealer's Motor Vehicle Inventory Declaration* form listing the total annual sales from the inventory in the prior year. Also, the dealer must file with the county tax office a monthly form — *Dealer's Motor Vehicle Inventory Tax Statement* — listing the motor vehicles sold, and prepay their property taxes for each vehicle.

A dealer is presumed to be an owner of a dealer's motor vehicle inventory on Jan. 1 if in the prior year the dealer sold a motor vehicle to a person other than a dealer. This presumption is not rebutted by the fact that a dealer has no motor vehicles physically on hand for sale from the dealer's motor vehicle inventory on Jan. 1.

Tax Code Section 23.121(a)(3) excludes from the definition of dealer a person who holds a manufacturer's license issued under Occupations Code Chapter 2301; an entity that is owned or controlled by a person who holds a manufacturer's license issued under Occupations Code Chapter 2301; and a dealer whose General Distinguishing Number (GDN) prohibits the dealer from selling a vehicle to any person except a dealer. The term also does not include a dealer who:

1. does not sell motor vehicles that are self-propelled vehicles designed to transport persons or property on a public highway;
2. meets either of the following requirements:
   a. the total annual sales from the dealer's motor vehicle(s) inventory, less sales to dealers, fleet transactions, and subsequent sales, for the 12-month period corresponding to the preceding tax year are 25 percent or less of the dealer's total revenue from all sources during that period; or
   b. the dealer did not sell a motor vehicle to a person other than another dealer during the 12-month period corresponding to the preceding tax year and the dealer estimates that the dealer's total annual sales from the dealer's motor vehicle inventory, less sales to dealers, fleet transactions, and subsequent sales, for the 12-month period corresponding to the current tax year will be 25 percent or less of the dealer's total revenue from all sources during that period;
3. not later than Aug. 31 of the preceding tax year, filed with the chief appraiser and the collector, the Comptroller's *Dealer's Motor Vehicle Inventory Election for Rendition* stating that the dealer elected not to be treated as a dealer in the current tax year; and
4. renders the dealer's motor vehicle inventory in the current tax year by filing a rendition in the manner provided by Tax Code Chapter 22.

Except for dealer's motor vehicle inventory, personal property held by a dealer is appraised as provided by law. In the case of a dealer whose sales from dealer's motor vehicle inventory are made predominately to dealers, the chief appraiser shall appraise the dealer's motor vehicle inventory as provided by Tax Code Section 23.12.

Definitions for Tax Code Section 23.121

1. "Chief appraiser" means the chief appraiser for the appraisal district in which a dealer's motor vehicle inventory is located.
2. "Collector" means the county tax assessor-collector in the county in which a dealer's motor vehicle inventory is located.

3. "Dealer" means a person who holds a dealer's general distinguishing number issued by the Texas Department of Motor Vehicles under the authority of Chapter 503, Transportation Code, or who is legally recognized as a motor vehicle dealer pursuant to the law of another state and who complies with the terms of Tax Code Section 152.063(f). The term does not include:

   (A) a person who holds a manufacturer's license issued under Chapter 2301, Occupations Code;

   (B) an entity that is owned or controlled by a person who holds a manufacturer's license issued under Chapter 2301, Occupations Code; or

   (C) a dealer whose general distinguishing number issued by the Texas Department of Motor Vehicles under the authority of Chapter 503, Transportation Code, prohibits the dealer from selling a vehicle to any person except a dealer.

   (D) a dealer who:

      (i) does not sell motor vehicles described by Tax Code Section 152.001(3)(A);

      (ii) meets either of the following requirements:

         (a) the total annual sales from the dealer's motor vehicle inventory, less sales to dealers, fleet transactions, and subsequent sales, for the 12-month period corresponding to the preceding tax year are 25 percent or less of the dealer's total revenue from all sources during that period; or

         (b) the dealer did not sell a motor vehicle to a person other than another dealer during the 12-month period corresponding to the preceding tax year and the dealer estimates that the dealer's total annual sales from the dealer's motor vehicle inventory, less sales to dealers, fleet transactions, and subsequent sales, for the 12-month period corresponding to the current tax year will be 25 percent or less of the dealer's total revenue from all sources during that period;

      (iii) not later than August 31 of the preceding tax year, filed with the chief appraiser and the collector a declaration on a form prescribed by the comptroller stating that the dealer elected not to be treated as a dealer under this section in the current tax year; and

      (iv) renders the dealer's motor vehicle inventory in the current tax year by filing a rendition with the chief appraiser in the manner provided by Chapter 22.

4. "Dealer's motor vehicle inventory" means all motor vehicles held for sale by a dealer.

5. "Dealer-financed sale" means the sale of a motor vehicle in which the seller finances the purchase of the vehicle, is the sole lender in the transaction, and retains exclusively the right to enforce the terms of the agreement evidencing the sale.

6. "Declaration" means the dealer's motor vehicle inventory declaration form promulgated by the comptroller as required by this section.

7. "Fleet transaction" means the sale of five or more motor vehicles from a dealer's motor vehicle inventory to the same person within one calendar year.

8. "Motor vehicle" means a towable recreational vehicle or a fully self-propelled vehicle with at least two wheels which has as its primary purpose the transport of a person or persons, or property, whether or not intended for use on a public street, road, or highway. The term does not include:

   (A) a vehicle with respect to which the certificate of title has been surrendered in exchange for a salvage certificate in the manner provided by law; or

   (B) equipment or machinery designed and intended to be used for a specific work-related purpose other than the transporting of a person or property.

9. "Owner" means a dealer who owes current year vehicle inventory taxes levied against a dealer's motor vehicle inventory.

10. "Person" means a natural person, corporation, partnership, or other legal entity.

11. "Sales price" means the total amount of money paid or to be paid for the purchase of a motor vehicle as set forth as "sales price" in the form entitled "Application for Texas Certificate of Title" promulgated by the Texas Department of Motor Vehicles. In a transaction that does not involve

the use of that form, the term means an amount of money that is equivalent, or substantially equivalent, to the amount that would appear as "sales price" on the Application for Texas Certificate of Title if that form were involved.

12. "Subsequent sale" means a dealer-financed sale of a motor vehicle that, at the time of the sale, has been the subject of a dealer-financed sale from the same dealer's motor vehicle inventory in the same calendar year.
13. "Total annual sales" means the total of the sales price from every sale from a dealer's motor vehicle inventory for a 12-month period.
14. "Towable recreational vehicle" means a nonmotorized vehicle that is designed for temporary human habitation for recreational, camping, or seasonal use and:
    (A) is titled and registered with the Texas Department of Motor Vehicles through the office of the collector;
    (B) is permanently built on a single chassis;
    (C) contains one or more life support systems; and
    (D) is designed to be towable by a motor vehicle.

Definitions Tax Code Section 23.122

1. "Aggregate tax rate" means the combined tax rates of all relevant taxing units authorized by law to levy property taxes against a dealer's motor vehicle inventory.
2. "Chief appraiser" has the meaning given it in Section 23.121 of this code.
3. "Collector" has the meaning given it in Section 23.121 of this code.
4. "Dealer's motor vehicle inventory" has the meaning given it in Section 23.121 of this code.
5. "Declaration" has the meaning given it in Section 23.121 of this code.
6. "Owner" has the meaning given it in Section 23.121 of this code.
7. "Relevant taxing unit" means a taxing unit, including the county, authorized by law to levy property taxes against a dealer's motor vehicle inventory.
8. "Sales price" has the meaning given it in Section 23.121 of this code.
9. "Statement" means the Dealer's Motor Vehicle Inventory Tax Statement filed on a form promulgated by the comptroller as required by this section.
10. "Subsequent sale" has the meaning given it in Section 23.121 of this code.
11. "Total annual sales" has the meaning given it in Section 23.121 of this code.
12. "Unit property tax factor" means a number equal to one-twelfth of the prior year aggregate tax rate at the location where a dealer's motor vehicle inventory is located on January 1 of the current year.

Dealer's Instructions for Filing Forms and Paying Property Taxes

Step 1 – Dealer files the *Dealer Motor Vehicle Inventory Declaration* form

The current year's tax bills received in Oct. are based on the market value of the inventory and the current year's tax rates. Dealers must file declarations meeting the following schedule and criteria:

- file one declaration each year not later than Feb. 1;
- file with the county appraisal district and send a copy to the county tax office; and
- if you were not in business on Jan. 1, file a declaration form within 30 days of commencing business which is presumed to be the date of the issuance of the dealer's GDN. A chief appraiser has the discretion to designate a different date that a dealer commences business.

Complete the *Dealer's Motor Vehicle Inventory Declaration* form, including:

- name and business address of each location at which the dealer owner conducts business,
- each of the dealer's GDN issued by the Texas Department of Motor Vehicles,
- market value of the dealer's motor vehicle inventory for the current tax year, and
- statement that the dealer owner is the owner of a dealer's motor vehicle inventory.

Calculate current year's market value

The market value of a dealer's motor vehicle inventory on Jan. 1 is the total prior year's annual sales from the dealer's motor vehicle inventory, less sales to dealers, fleet transactions, and subsequent sales, divided by 12. For an owner who was not a dealer on Jan. 1 of the prior tax year, the chief appraiser shall estimate the market value of the dealer's motor vehicle inventory. In making the estimate, the chief appraiser shall extrapolate using sales data, if any, generated by sales from the dealer's motor vehicle inventory in the prior tax year.

Reporting to the Texas Department of Motor Vehicles

If a dealer fails to file a declaration, the chief appraiser may report the dealer to the Texas Department of Motor Vehicles to initiate cancellation of the dealer's GDN. The chief appraiser shall include with the report written verification that the chief appraiser informed the dealer of the requirement to file a declaration.

If, on the declaration, a dealer reports the sale of fewer than five motor vehicles in the prior year, the chief appraiser shall report the dealer to the Texas Department of Motor Vehicles to initiate cancellation of the dealer's GDN. The chief appraiser shall include with the report a copy of the declaration. A report by a chief appraiser to the Texas Department of Motor Vehicles is prima facie grounds for the cancellation of the dealer's GDN, or for refusal by the Texas Department of Motor Vehicles to renew the dealer's GDN.

Penalties

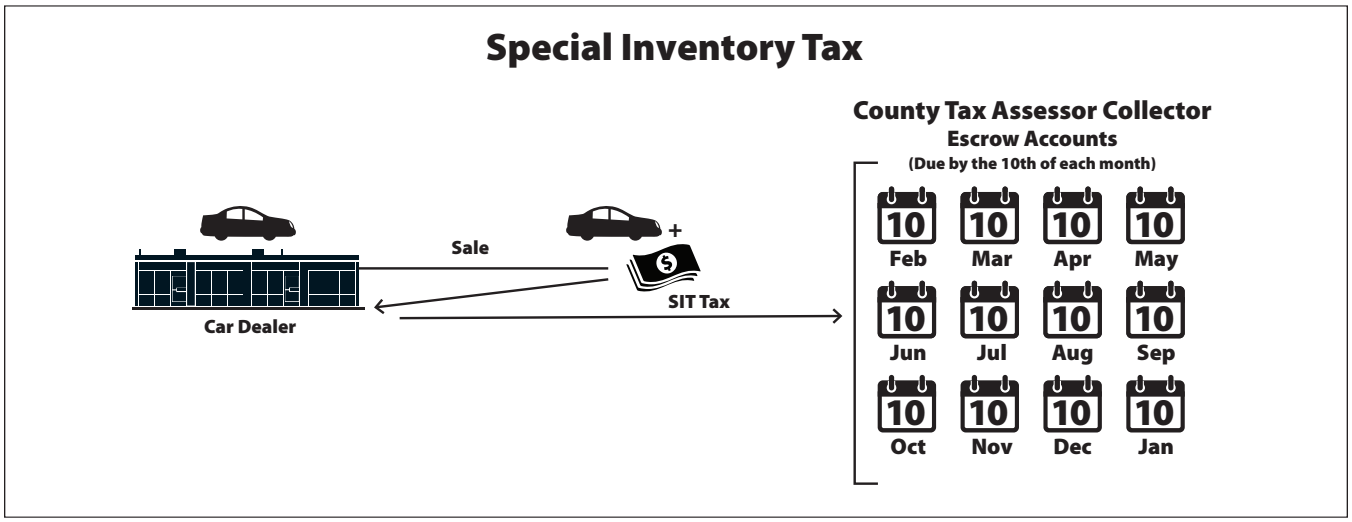
A dealer who does not file a declaration form by Feb. 1 of each year commits a misdemeanor offense punishable by a fine of up to $500 per day until filed. In addition to any other penalty provided by law, a dealer forfeits an additional penalty of $1,000 for each month or portion of month that it is not filed. A tax lien can be attached to the dealer's business personal property to secure payment of the penalty.

Step 2 – Owner files the *Dealer's Motor Vehicle Inventory Tax Statement*

Each month, a dealer must file a separate inventory tax statement for each business location regardless of whether or not the dealer owes vehicle inventory tax for the current year. A dealer who owes no vehicle inventory tax for the current year because the dealer was not in business on Jan. 1 may not assign a unit property tax to a motor vehicle sold by the dealer nor remit money with the statement unless pursuant to the terms of a contract.

Dealer must file statements meeting the following schedule and criteria:

- file 12 statements per year;
- file by the 10th of each month for the prior month;
- file with the county tax office, together with prepayment of taxes;
- send a copy of the form to the county appraisal district;
- file a statement indicating no sales if no motor vehicles were sold during the month;



- file monthly, but do not assign unit property tax or send prepayment of taxes if not in business on Jan. 1; and
- retain documentation of each motor vehicle sold.

A dealer must use the Comptroller's *Dealer's Motor Vehicle Inventory Tax Statement* which may include information the Comptroller deems appropriate and must include:

1. description of each motor vehicle sold;
2. sales price of the motor vehicle;
3. unit property tax of the motor vehicle if any; and
4. the reason no unit property tax is assigned if no unit property tax is assigned.

Step 3 – Dealer makes a prepayment of taxes

On or before the 10th day of each month, an owner is required to deposit with the collector the total unit property tax assigned to all motor vehicles sold from the dealer's motor vehicle inventory in the prior month to which a unit property tax was assigned, together with the monthly statement. The money is deposited by the collector in the owner's escrow account for prepayment of property taxes levied against the dealer's motor vehicle inventory. An owner may not withdraw funds from the escrow account.

Contact the county tax assessor-collector or appraisal district for the unit property tax factor: The unit property tax factor is calculated by dividing the aggregate tax rate by 12. If the aggregate tax rate is expressed in dollars per $100 of valuation, divide by $100 and then divide by 12. It represents one-twelfth of the preceding year's aggregate tax rate at the location where the dealer's motor vehicle inventory is located on Jan. 1 of the current year.

Calculate the unit property tax: The unit property tax of each motor vehicle is determined by multiplying the sales price of the motor vehicle by the unit property tax factor.

Assign a unit property tax: Except for a vehicle sold to a dealer, a vehicle included in a fleet transaction or a vehicle that is the subject of a subsequent sale, an owner must assign a unit property tax to each motor vehicle sold from a dealer's motor vehicle inventory. Do not assign a unit property tax if you were not in business on Jan. 1.

Penalties

A dealer who does not file the monthly tax statement by the 10th day of the following month commits a misdemeanor offense punishable by a fine up to $100 per day until filed. In addition to any other penalty provided by law, a dealer forfeits a penalty of $500 for each month or portion of month that it is not filed. A tax lien can be attached to the dealer's business personal property to secure payment of the penalty. A dealer who fails to remit the taxes due pays a 5 percent late penalty, with another 5 percent due if not paid within 10 days.

Step 4 – County tax collector pays annual inventory taxes from escrow account

The assessor(s) for the taxing units provides the collector a copy of the tax bill sent to the owner, usually in Oct. or Nov. The collector applies the money in the owner's escrow account to the imposed taxes of each taxing unit in proportion to the amount of levied taxes. An owner receives a tax receipt for payment and an additional tax bill for any deficiency in the escrow account. An owner must pay the deficiency by Jan. 31 to avoid delinquency.

Not later than Feb. 15, the collector must distribute to the taxing units all funds collected and held in escrow.

Agreement to Pay Current Taxes by Contract

A person who acquires the business or assets of an owner may, by contract, agree to pay the current year motor vehicle inventory taxes owed by the owner. The owner who owes the current year tax and the person who acquires the business or assets of the owner shall jointly notify the chief appraiser and the collector of the terms of the agreement for the purchaser to pay the current year inventory taxes owed by the selling dealer. The chief appraiser and the collector shall adjust their records accordingly. A person who agrees to pay current year taxes is not required to file a declaration until the year following the acquisition. This does not relieve the selling owner of tax liability.

Chief Appraiser Inspection of Documentation

A chief appraiser may examine the records of the holder of a GDN issued by the Texas Department of Motor Vehicles. A request must be made in writing, delivered personally to the custodian of the records, at the location for which the GDN has been issued, must provide a period not less than 15 days for the person to respond to the request, and must state that the person to whom it is addressed has the right to seek judicial relief from compliance with the request. The chief appraiser may examine:

1. the document issued by the Texas Department of Motor Vehicles showing the person's GDN;
2. documentation appropriate to allow the chief appraiser to ascertain the applicability of Tax Code Sections 23.121 and 23.122 to the person;
3. sales records to substantiate information set forth in the dealer's declaration filed by the person.

A dealer who violates these provisions commits a misdemeanor offense punishable by a fine not to exceed $500 per day. A chief appraiser and collector may examine certain documentation held by a dealer as set forth in Tax Code Section 23.121(g).

Confidential Information

A declaration or statement filed with a chief appraiser or collector is confidential and not open to public inspection. A declaration or statement and the information contained in either may not be disclosed to anyone except an employee of the appraisal office who appraises the property or to an employee of the county tax assessor-collector involved in the maintenance of the owner's escrow account. This confidential information may be disclosed in the following ways:

1. in a judicial or administrative proceeding pursuant to a lawful subpoena;
2. to the person who filed the declaration or statement or to that person's representative authorized by the person in writing to receive the information;
3. to the Comptroller or an employee of the Comptroller authorized by the Comptroller to receive the information;
4. to a collector or chief appraiser;
5. to a district attorney, criminal district attorney or county attorney involved in the enforcement of a penalty imposed pursuant to Tax Code Sections 23.121 or 23.122;
6. for statistical purposes if in a form that does not identify specific property or a specific property owner;
7. if and to the extent that the information is required for inclusion in a public document or record that the appraisal or collection office is required by law to prepare or maintain; or
8. to the Texas Department of Motor Vehicles for use by that department in auditing compliance of its licensees with appropriate provisions of applicable law.

Questions

- For specific questions on the declaration form, contact the county appraisal district.
- For specific questions on the monthly tax statement form, contact the county tax office.
- For general questions, contact the Comptroller's Property Tax Assistance Division by email at ptad.cpa@cpa.texas.gov or 800-252-9121 (press 2).

Declaration Form 50-244

Texas Comptroller of Public Accounts

Form 50-244

Dealer's Motor Vehicle Inventory Declaration

CONFIDENTIAL

Year

Send Original to: Appraisal District Name and Address

Phone *(area code and number)*

Send Copy to: County Tax Office and Address

Phone *(area code and number)*

GENERAL INSTRUCTIONS: This declaration is for a dealer of motor vehicles to declare motor vehicle inventory pursuant to Tax Code Section 23.121. File a declaration for each business location.

ALTERNATIVE ELECTION: Effective Jan. 1, 2014, certain dealers of motor vehicle inventory may elect to file renditions under Tax Code Chapter 22, rather than file declarations and tax statements under Tax Code Chapter 23. Tax Code Section 23.121(a)(3) allows a dealer to make this election if it (1) does not sell motor vehicles that are self-propelled and designed to transport persons or property on a public highway; (2) meets either of the following two requirements: (a) the total annual sales from the inventory, less sales to dealers, fleet transactions, and subsequent sales, for the preceding tax year are 25 percent or less of the dealer's total revenue from all sources during that period, or (b) the dealer did not sell a motor vehicle to a person other than another dealer during the preceding tax year and the dealer estimates that the dealer's total annual sales from the dealer's motor vehicle inventory, less sales to dealers, fleet transactions and subsequent sales, for the 12-month period corresponding to the current tax year will be 25 percent or less of the dealer's total revenue from all sources during that period; (3) files with the chief appraiser and the tax collector by Aug. 31 of the tax year preceding Jan. 1 on a form prescribed by the Comptroller a declaration that the dealer elects not to be treated as a dealer under Tax Code Section 23.121 in the current tax year; AND (4) renders the dealer's motor vehicle inventory in the current tax year by filing a rendition with the chief appraiser in the manner provided by Tax Code Chapter 22. A dealer who makes this election must file the election annually with the chief appraiser and the tax collector by Aug. 31 of the preceding tax year, so long as the dealer meets the eligibility requirements of law.

FILING INSTRUCTIONS: This document and all supporting documentation must be filed with the appraisal district office and the county tax assessor-collector's office in the county in which the business is located. Do not file this document with the Texas Comptroller of Public Accounts. A directory with contact information for appraisal district and tax offices may be found on the Comptroller's website.

DECLARATION DEADLINES: Except as provided by Tax Code Section 23.122(l), a declaration must be filed not later than Feb. 1 of each year or, in the case of a dealer who was not in business on Jan. 1, not later than 30 days after commencement of the business. A dealer is presumed to have commenced business on the date of issuance of a dealer's general distinguishing number as provided by Transportation Code Chapter 503. Notwithstanding this presumption, a chief appraiser may, at his or her sole discretion, designate another date on which a dealer commenced business.

PENALTIES: A dealer who fails to file a declaration commits a misdemeanor offense punishable by a fine not to exceed $500. Each day during which a dealer fails to comply is a separate violation. In addition to other penalties provided by law, a dealer who fails to file or timely file a required declaration must forfeit a penalty of $1,000 for each month or part of a month in which a declaration is not filed or timely filed after it is due. A tax lien attaches to the dealer's business personal property to secure payment of the penalty.

OTHER IMPORTANT INFORMATION

The chief appraiser may examine the books and records of a dealer as provided by Tax Code Section 23.121(g).

STEP 1: Dealer Information

Name of Dealer

Mailing Address

City, State, ZIP Code

Phone *(area code and number)*

Name of Person Preparing this Application

Title

STEP 2: All Business Locations and General Distinguishing Numbers

Attach a list with the name and business address of each location at which you conduct business and each of the dealer's general distinguishing numbers issued by the Texas Department of Motor Vehicles.

The Property Tax Assistance Division at the Texas Comptroller of Public Accounts provides property tax information and resources for taxpayers, local taxing entities, appraisal districts and appraisal review boards.

For more information, visit our website:
comptroller.texas.gov/taxes/property-tax

50-244 • 03-17/13

Declaration Form 50-244 (continued)

Texas Comptroller of Public Accounts | Form 50-244

STEP 3: Business Location Information

Provide the business name, general distinguishing number, physical address of the business location and account number for the inventory being declared or you may attach a tax bill or a copy of appraisal or tax office correspondence concerning your account.

Name of Business

General Distinguishing Number of Location

Address, Street, City, State, ZIP Code

Account Number *(if known)*

Business Start Date, if Not in Business on Jan. 1

STEP 4: Number of Units Sold and Sale Totals

Number of units sold for the previous 12-month period corresponding to the prior tax year. If you were not in business for the entire 12-month period, report the sales for the months you were in business. See the last page for additional instructions.

Motor Vehicle Inventory | Fleet Transactions | Dealer Sales | Subsequent Sales

Sales amounts for the previous 12-month period corresponding to the prior tax year. If you were not in business for the entire 12-month period, report the sales for the months you were in business.

$ Motor Vehicle Inventory | $ Fleet Transactions | $ Dealer Sales | $ Subsequent Sales

STEP 5: Market Value of Motor Vehicle Inventory

State the market value of the motor vehicle inventory for the current tax year, as computed under Tax Code Section 23.121. Market value is total annual sales less sales to dealers, fleet transactions and subsequent sales, from the dealer's motor vehicle inventory for the previous 12-month period corresponding to the prior tax year divided by 12. Total annual sales is the total of the sales price from every sale from a dealer's motor vehicle inventory for a 12-month period. If you were not in business for the entire 12-month period, report the total number of sales for the months you were in business. The chief appraiser will determine the inventory's market value.

$ Dealer's Motor Vehicle Inventory Sales for Prior Year ÷ 12 = Market Value for Current Tax Year

STEP 6: Signature and Date

By signing this declaration, you certify that the dealer identified in Step 1 is the owner of a dealer's motor vehicle inventory.

On Behalf of *(name of dealer)*

print here ➧ Print Name | Title

sign here ➧ Authorized Signature | Date

If you make a false statement on this report, you could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10.

For more information, visit our website: **comptroller.texas.gov/taxes/property-tax** Page 2

50-244 • 03-17/13

Declaration Form 50-244 (concluded)

Texas Comptroller of Public Accounts | Form 50-244

Additional Instructions

Step 4. Number of units sold and sale totals. The top row of boxes is the number of units sold for the preceding year in each category. The bottom row of boxes is the dollar amount sold for the previous year in each category. The categories include:

- **Motor vehicle inventory** – sales of motor vehicles. A motor vehicle is a fully self-propelled vehicle with at least two wheels which has the primary purpose of transporting people or property (whether or not intended for use on a public street, road or highway) and includes a towable recreational vehicle. Motor vehicle does not include: 1. Vehicles with a certificate of title that has been surrendered in exchange for a salvage certificate; nor 2. equipment or machinery designed and intended for a specific work-related purpose other than transporting people or property. Motor vehicle inventory does not include fleet transactions, dealer sales or subsequent sales.
- **Fleet transaction** – motor vehicles included in the sale of five or more motor vehicles from your inventory to the same person within one calendar year.
- **Dealer sales** – sales of vehicles to another Texas dealer or a dealer who is legally recognized in another state as a motor vehicle dealer.
- **Subsequent sale** – dealer-financed sale of a motor vehicle that, at the time of sale, has been the subject of dealer financing from your motor vehicle inventory in the same calendar year.

Election for Rendition Form 50-815

Texas Comptroller of Public Accounts | Form 50-815

Dealer's Motor Vehicle Inventory Election for Rendition

Appraisal District Name and Address _____ Phone *(area code and number)* _____

County Tax Office Name and Address _____ Phone *(area code and number)* _____

GENERAL INSTRUCTIONS: This form is for use by a dealer that elects not to be treated as a dealer under Tax Code Section 23.121 and opts to render the dealer's motor vehicle inventory by filing a rendition with the chief appraiser in the manner provided by Tax Code Chapter 22. For purposes of Tax Code Section 23.121, dealer means a person who holds a dealer's general distinguishing number issued by the Texas Department of Motor Vehicles under the authority of Transportation Code Chapter 503, or who is legally recognized as a motor vehicle dealer pursuant to the law of another state and who complies with the terms of Tax Code Section 152.063(f). A dealer who, pursuant to Tax Code Section 23.121 has elected not to be treated as a dealer and to render the dealer's motor vehicle inventory, must continue to file this form each year and render the dealer's motor vehicle inventory so long as the dealer meets the applicable requirements.

Note: The following are not considered dealers for purposes of Tax Code Sections 23.121 and 23.122 and are not subject to the declaration requirements of that section (see Comptroller Form 50-244 – Dealer's Motor Vehicle Inventory Declaration and Comptroller Form 50-246 – Dealer's Motor Vehicle Inventory Tax Statement).

(1) a person who holds a manufacturer's license issued under Occupations Code Chapter 2301;
(2) an entity that is owned or controlled by a person who holds a manufacturer's license issued under Occupations Code Chapter 2301;
(3) a dealer whose general distinguishing number issued by the Texas Department of Motor Vehicles under the authority of Transportation Code Chapter 503, prohibits the dealer from selling a vehicle to any person except a dealer; or
(4) a dealer who:
  (A) does not sell motor vehicles described by Tax Code Section 152.001(3)(A);
  (B) meets either of the following requirements:
    (i) the total annual sales from the dealer's motor vehicle inventory, less sales to dealers, fleet transactions, and subsequent sales, for the 12-month period corresponding to the preceding tax year are 25 percent or less of the dealer's total revenue from all sources during that period; or
    (ii) the dealer did not sell a motor vehicle to a person other than another dealer during the 12-month period corresponding to the preceding tax year and the dealer estimates that the dealer's total annual sales from the dealer's motor vehicle inventory, less sales to dealers, fleet transactions, and subsequent sales, for the 12-month period corresponding to the current tax year will be 25 percent or less of the dealer's total revenue from all sources during that period;
  (C) not later than Aug. 31 of the preceding tax year, filed with the chief appraiser and the collector a declaration on a form prescribed by the comptroller stating that the dealer elected not to be treated as a dealer under this section in the current tax year; and
  (D) renders the dealer's motor vehicle inventory in the current tax year by filing a rendition with the chief appraiser in the manner provided by Chapter 22.

FILING INSTRUCTIONS: This document and all supporting documentation must be filed with the appraisal district and the county tax office in each county in which the business is located. Do not file this document with the Texas Comptroller of Public Accounts. A directory with contact information for appraisal district offices may be found on the Comptroller's website.

DEADLINES: This form must be filed for each tax year for which a dealer elects not to be treated as a dealer no later than Aug. 31 of the preceding tax year. A dealer who is electing to file this form and opt to render their motor vehicle inventory is required to continue filing this election form and rendering the motor vehicle inventory annually so long as they meet the requirements.

State the Year for Which You are Applying

Tax Year _____

SECTION 1: Dealer Information

Name of Dealer _____

Mailing Address _____

City, State, Zip Code _____ Phone *(area code and number)* _____

The Property Tax Assistance Division at the Texas Comptroller of Public Accounts provides property tax information and resources for taxpayers, local taxing entities, appraisal districts and appraisal review boards.

For more information, visit our website:
comptroller.texas.gov/taxes/property-tax

50-815 • 9-18/6

Election for Rendition Form 50-815 (concluded)

Texas Comptroller of Public Accounts

Form 50-815

SECTION 2: Applicant Information

Name of Individual Filing this Form

Title

Phone *(area code and number)*

SECTION 3: Dealership Information

Physical Address of Business Location

Appraisal District Account Number (if known) (or attach tax bill or copy of appraisal or tax office correspondence concerning this account if available.)

General Distinguishing Number (GDN)

SECTION 4: Election and Signature

print here

Print Name

Title

sign here

Authorized Signature

Date

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10.

For more information, visit our website: **comptroller.texas.gov/taxes/property-tax**

Page 2

50-815 • 9-18/6

Monthly Tax Statement Form 50-246

Texas Comptroller of Public Accounts | Form 50-246

Dealer's Motor Vehicle Inventory Tax Statement

CONFIDENTIAL

Reporting Month _____ Year _____ Page _____ of pages _____

Send Original to: County Tax Office Name and Address _____ Phone *(area code and number)* _____

Send Copy to: Appraisal District Name and Address _____ Phone *(area code and number)* _____

GENERAL INSTRUCTIONS: This inventory tax statement must be filed by a dealer of motor vehicles pursuant to Tax Code Section 23.122. This statement is filed together with an amount equal to the total amount of the unit property tax assigned to all motor vehicles sold in the preceding month. File a separate statement for each business location and retain documentation relating to the disposition of each vehicle.

ALTERNATIVE ELECTION: Effective Jan. 1, 2014, certain dealers of motor vehicle inventory may elect to file renditions under Tax Code Chapter 22, rather than file declarations and tax statements under Tax Code Chapter 23. Tax Code Section 23.121(a)(3) allows a dealer to make this election if it (1) does not sell motor vehicles that are self-propelled and designed to transport persons or property on a public highway; (2) meets either of the following two requirements: (a) the total annual sales from the inventory, less sales to dealers, fleet transactions, and subsequent sales, for the preceding tax year are 25 percent or less of the dealer's total revenue from all sources during that period, or (b) the dealer did not sell a motor vehicle to a person other than another dealer during the preceding tax year and the dealer estimates that the dealer's total annual sales from the dealer's motor vehicle inventory, less sales to dealers, fleet transactions, and subsequent sales, for the 12-month period corresponding to the current tax year will be 25 percent or less of the dealer's total revenue from all sources during that period; (3) files with the chief appraiser and the tax collector by Aug. 31 of the preceding tax year on a form prescribed by the Comptroller a declaration that the dealer elects not to be treated as a dealer under Tax Code Section 23.121 in the current tax year; AND (4) renders the dealer's motor vehicle inventory in the current tax year by filing a rendition with the chief appraiser in the manner provided by Tax Code Chapter 22. A dealer who makes this election must file the election annually with the chief appraiser and the tax collector by Aug. 31 of the preceding tax year, so long as the dealer meets the eligibility requirements of law.

FILING INSTRUCTIONS: This document and all supporting documentation must be filed with the appraisal district office and the county tax assessor-collector's office in the county in which the business is located. Do not file this document with the Texas Comptroller of Public Accounts. A directory with contact information for appraisal district and tax offices may be found on the Comptroller's website.

STATEMENT DEADLINES: Except as provided by Tax Code Section 23.122(g), a statement and prepayment of taxes must be filed on or before the 10th day of each month.

PENALTIES: A dealer who fails to file a statement as required commits a misdemeanor offense punishable by a fine not to exceed $100. Each day during which a dealer fails to comply is a separate violation. In addition to other penalties provided by law, a dealer who fails to file or timely file a statement must forfeit a penalty of $500 for each month or part of a month in which a statement is not filed or timely filed after it is due. A tax lien attaches to the dealer's business personal property to secure payment of the penalty. In addition to other penalties provided by law, an owner who fails to remit unit property tax due must pay a penalty of 5 percent of the amount due. If the amount due is not paid within 10 days after the due date, the owner must pay an additional 5 percent of the amount due. Unit property taxes paid on or before Jan. 31 of the year following the date on which they are due are not delinquent.

OTHER IMPORTANT INFORMATION

The chief appraiser or collector may examine documents held by a dealer in the same manner and subject to the same conditions as provided by Tax Code Section 23.121(g) and 23.122(f).

STEP 1: Dealer Information

Name of Dealer _____

Mailing Address _____

City, State, ZIP Code _____ Phone *(area code and number)* _____

Name of Person Completing Statement _____ Title _____

The Property Tax Assistance Division at the Texas Comptroller of Public Accounts provides property tax information and resources for taxpayers, local taxing entities, appraisal districts and appraisal review boards.

For more information, visit our website:
comptroller.texas.gov/taxes/property-tax

50-246 • 03-17/15

Monthly Tax Statement Form 50-246 (continued)

Texas Comptroller of Public Accounts

Form 50-246

STEP 2: Business' Name and Physical Address of Business Location

Provide the appraisal district account number if available or attach tax bill or copy of appraisal or tax office correspondence concerning your account.

Name of Business

Address, City, State, ZIP Code

Account Number

Business Start Date, if Not in Business on Jan. 1

General Distinguishing Number (GDN)

STEP 3: Vehicle Inventory Information

Provide the following information about each motor vehicle sale during the reporting month. Continue on additional sheets if necessary. In lieu of filling out the information in this step, you may attach separate documentation setting forth the information required. All such information must be separately identified in a manner that conforms to the column headers used in the table below. See last page for additional instructions and footnotes.

Description of Vehicle Sold				Purchaser's Name	Type of Sale[1]	Sales Price[2]	Unit Property Tax[3]
Date of Sale	Model Year	Make	Vehicle Identification Number				
						Total Unit Property Tax[4]	

Unit Property Tax Factor

For more information, visit our website: **comptroller.texas.gov/taxes/property-tax**

Page 2

50-246 • 03-17/15

Monthly Tax Statement Form 50-246 (continued)

Texas Comptroller of Public Accounts

Form 50-246

STEP 4: Total Units Sold and Total Sales

Number of units sold for reporting month:

Motor Vehicle Inventory	Fleet Transactions	Dealer Sales	Subsequent Sales

Sales amounts for reporting month:

$ Motor Vehicle Inventory	$ Fleet Transactions	$ Dealer Sales	$ Subsequent Sales

STEP 5: Signature and Date

Signature required on last page only.

print here ➧ _____ Print Name _____ Title

sign here ➧ _____ Authorized Signature _____ Date

If you make a false statement on this report, you could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10

For more information, visit our website: **comptroller.texas.gov/taxes/property-tax**

Page 3

50-246 • 03-17/15

Texas Comptroller of Public Accounts | Form 50-246

Additional Instructions

Step 3: Information on each vehicle sold during the reporting month. Complete the information on each motor vehicle sold, including the date of sale, model year, model make, vehicle identification number, purchaser's name, type of sale, sales price and unit property tax. The footnotes include:

[1] **Type of Sale:** Place one of the following codes by each sale reported:

MV – motor vehicle inventory – sales of motor vehicles. A motor vehicle is a fully self-propelled vehicle with at least two wheels which has the primary purpose of transporting people or property (whether or not intended for use on a public street, road, or highway) and includes a towable recreational vehicle. Motor vehicle does not include: 1. vehicles with a certificate of title that has been surrendered in exchange for a salvage certificate; nor 2. equipment or machinery designed and intended for a specific work related purpose other than transporting people or property.

FL – fleet transactions – motor vehicles included in the sale of five or more motor vehicles from inventory to the same person within one calendar year.

DL – dealer sales – sales of vehicles to another Texas dealer or dealer who is legally recognized in another state as a motor vehicle dealer.

SS – subsequent sales – dealer-financed sales of motor vehicles that, at the time of sale, have dealer financing from your motor vehicle inventory in the same calendar year.

[2] **Sales Price:** Total amount of money paid or to be paid for the purchase of a motor vehicle as set forth as sales price in the form entitled *Application for Texas Certificate of Title* promulgated by the Texas Department of Motor Vehicles. In a transaction that does not involve the use of that form, the term means an amount of money that is equivalent, or substantially equivalent, to the amount that would appear as sales price on the *Application for Texas Certificate of Title* if that form were involved.

[3] **Unit Property Tax:** To compute, multiply the sales price by the unit property tax factor. Contact either the county tax assessor-collector or county appraisal district for the current unit property tax factor. The unit property tax factor is calculated by dividing the prior year's aggregate tax rate by 12. If the aggregate tax rate is expressed in dollars per $100 of valuation, divide by $100 and then divide by 12. It represents one-twelfth of the preceding year's aggregate tax rate at the location. For fleet, dealer and subsequent sales that are not included in the motor vehicle inventory, the unit property tax is $-0-. If no unit property tax is assigned, state the reason.

[4] **Total unit property tax for reporting month:** Enter the total amount of unit property tax from the "Total for this page only" box on previous page(s). This is the total amount of unit property tax that will be submitted with the statement to the collector.

For more information, visit our website:

comptroller.texas.gov/taxes/property-tax

In compliance with the Americans with Disabilities Act, this document may be requested in alternative formats by calling toll free 800-252-5555.

Sign up to receive email updates on the Comptroller topics of your choice at comptroller.texas.gov/subscribe/.

Texas Comptroller of Public Accounts
Publication #96-545
April 2022