



Georgia Department of Revenue Sales Tax Bulletin Prepaid Sales Tax for Auto Dealers

Beginning March 1, 2013, most motor vehicles sold by Georgia dealers are exempt from sales tax and are instead charged a one-time title ad valorem tax ("TAVT") which replaces both sales tax and the annual ad valorem tax, aka the "birthday tax". Accordingly, for many Georgia motor vehicle dealers, the amount of prepaid sales tax that is required to be paid will decrease effective with the tax period ending 3/31/2014. The amount of the decrease, which will be adjusted based on the 3/31/2014 sales and use tax liability, will be automatically refunded by mailed check once the motor vehicle dealer has filed the Sales and Use Tax Return (Form ST-3) for the tax period ending 3/31/2014.

For some Georgia motor vehicle dealers, the amount of prepaid sales tax that is required to be paid will be reduced to zero. This determination will be made based on the amount of sales and use tax collected for the calendar year ending 12/31/2013. For such motor vehicle dealers, the previous prepaid sales tax amount will be automatically refunded by mailed check once the motor vehicle dealer has filed the Sales and Use Tax Return (Form ST-3) for the tax period ending 3/31/2014.

Please contact the Georgia Department of Revenue, Taxpayer Service Division at (877) 423-6711 if you have any questions.

Thank you for your cooperation.
Georgia Department of Revenue