

FACT SHEET



Heavy Vehicle Use Tax

OVERVIEW

The Federal Surface Transportation Assistance Act of 1982 significantly increased Heavy Vehicle Use Tax which motor carriers pay to the Internal Revenue Service (IRS).

The Heavy Vehicle Use Tax is imposed only on highway motor vehicles which have a taxable gross weight or combination weight of 55,000 pounds or more. An exemption from the tax is provided for vehicles that will not be used for more than 5,000 miles on public highways during any taxable period and to agricultural vehicles not used for more than 7,500 miles on public highways during any taxable period. The tax reform act also provides a 25% reduction of the tax for logging trucks.

Effective October 1, 1985 all states will verify payment of, or exemption from, the tax before issuing or renewing vehicle registrations. Owners of vehicles affected do not need to provide proof of payment of the tax if they have owned the vehicle for less than 60 days. However, this is not an exemption from actual payment of the tax.

WHAT TO DO IF YOUR VEHICLE IS AFFECTED BY THE HEAVY VEHICLE USE TAX

On and after the effective date, a registrant of an affected vehicle must submit to the Bureau of Motor Vehicles, Form 2290, Schedule 1, with all registration renewal applications (Forms MV-105). You must also include a copy of IRS Form 2290, Schedule 1 with title/registration applications if you have owned the vehicle for more than 60 days. Form MV-140 submitted for a sticker (renewal) will be treated the same as renewal application Form MV-105. Form MV-140 submitted for a registration plate (plate issue) will be treated the same as an application for title/registration if the vehicle has been owned for more than 60 days.

The Form 2290, Schedule 1 must be validated by the Internal Revenue Service as proof of payment of the Heavy Vehicle Use Tax. If you do not have a copy of your validated Form 2290, Schedule 1, submit a photocopy of your unvalidated, completed Form 2290, Schedule 1 along with a photocopy of both sides of your cancelled check showing payment to the IRS for this tax.

If less than 22 vehicles paying tax and/or less than 10 vehicles exempt from tax are listed on the Form 2290, Schedule 1, federal regulations require the Bureau of Motor Vehicles to verify payment of the Heavy Vehicle Use Tax by each individual vehicle identification number (VIN). In this case, you must include a copy of the applicable Form 2290, Schedule 1 with each submission of application(s) for

December 2005

- over -

Bureau of Motor Vehicles - Research and Support Operations Section
P.O. Box 68031 Harrisburg, PA 17106-8031
Visit us at www.dmv.state.pa.us

issuance or renewal of vehicle registration. You should circle the appropriate VIN(s) on Form 2290, Schedule 1 that match the VIN(s) on the accompanying application(s).

If Form 2290, Schedule 1 lists 22 or more vehicles paying tax and/or 10 or more vehicles exempt from tax, the Department is not required to verify each individual VIN. In this case, Form 2290, Schedule 1 may be used as proof of tax payment or exemption for up to the number of vehicles listed on it. Individual VIN's do not need to be listed on these vehicles.

If the name of the taxpayer listed on Form 2290, Schedule 1 is not the same name as the registrant listed on Department records, the Form 2290, Schedule 1 will be accepted as proof of tax payment if a written statement accompanies the form. The statement must include a list of the VIN's for the applicable vehicles and written confirmation of Heavy Vehicle Use Tax payment for the listed vehicles. The statement must be executed and signed by the person whose name appears on Form 2290, Schedule 1.