



TENNESSEE DEPARTMENT OF REVENUE
Application of Used Automobile Dealer to Claim Repossession Credit
When Security or Other Title Agreement Assigned to Affiliate Finance Company

Taxpayer Name \_\_\_\_\_ FEIN \_\_\_\_\_

Sales Tax Account No. \_\_\_\_\_ Location ID No. \_\_\_\_\_

Mailing Address \_\_\_\_\_
Street City State ZIP Code

Finance Company Name \_\_\_\_\_ FEIN \_\_\_\_\_

For a taxpayer to take the sales and use tax credit authorized by Tenn. Code Ann. § 67-6-507(d), the taxpayer must attest to the following:

- More than 50% of taxpayer's sales are used automobiles sold to retail purchasers.
• No more than an average of 5% of taxpayer's total used automobile sales price is collected as a down payment.
• Taxpayer and the affiliate finance company occupy the same physical headquarters location in Tennessee.
Headquarters address: \_\_\_\_\_
• Finance company has the right to repossess or enforce any lien as to the automobile.
• Taxpayer assigns 100% of its security or other title agreements to an affiliate finance company in exchange for money to reimburse the dealer for the sales tax paid to the Department.
• Taxpayer remains obligated to and reimburses the finance company for any sales tax that the finance company cannot collect from the purchaser of the automobile.

Attach the agreement(s) between the taxpayer and the finance company that support the last two attestations and send with application to the attention of the Audit Division at P.O. Box 190644, Nashville, TN 37219-0644.

Affidavit of Applicant

Under penalties of perjury, I declare that to the best of my knowledge this information is true and correct. If any information above changes in the future, such that the taxpayer ceases to meet these qualifications, I hereby confirm my understanding that the taxpayer shall cease to take the credit authorized by Tenn. Code Ann. § 67-6-507(d) until these qualifications are again satisfied.

Taxpayer Signature Title Date

Definitions:

"Affiliate" is defined in Tenn. Code Ann. § 48-103-102, which requires the taxpayer and the finance company to be controlled by the same person or the taxpayer to control the finance company or finance company control the taxpayer.

"Down payment" means any payment the dealer collects in net trade-in allowance, cash, or a cash equivalent from a retail purchaser at the time of purchase or delivery of a used automobile, whether categorized as a payment, deferred down payment, tax, fee, or otherwise.

"Control" means, as provided in Tenn. Code Ann. § 48-103-102, the power to direct or cause the direction of the management or policies whether through the ownership of voting securities, by contract, or otherwise.