



Department of
Taxation

Sales by Auctioneers of Repossessed and Salvage Motor Vehicles

Auctioneers of repossessed and salvage motor vehicles should not collect use tax on sales of repossessed and salvage motor vehicles to individual purchasers that do not have a dealer's license. Instead, the purchaser must pay use tax to the Clerk's office at the time of titling at the rate in effect in the purchaser's county of residence. Tax is computed on the total amount of the winning bid including all and any fees or commissions added by the auctioneer.