

REG-1-099, Motor Vehicle Services

099.01 Gross receipts from certain services performed on motor vehicles are subject to tax. The taxable services include motor vehicle towing, motor vehicle washing and waxing, motor vehicle painting, and the installation of accessories or equipment on motor vehicles.

099.02 Motor vehicles as used in this regulation shall mean automobiles, trucks, trailers, semitrailers, and truck tractors as defined in Section 60-301 of the Nebraska Revised Statutes.

099.03 Motor vehicle towing.

099.03A Motor vehicle towing includes, but is not limited to, towing or transporting a vehicle from one location to another location, recovering a vehicle from a ditch, or uprighting an overturned vehicle.

099.03A(1) Charges for towing of common carrier vehicles are taxable.

099.03B Motor vehicle towing does not include the towing of other property or vehicles that are not defined as motor vehicles, or the delivery of inventory motor vehicles to a licensed motor vehicle dealer.

099.03C The charge for motor vehicle towing is taxable if the motor vehicle is delivered in Nebraska. The charge for towing a motor vehicle picked up in another state and delivered in Nebraska is taxable in this state. The charge for towing a motor vehicle picked up in Nebraska and delivered in another state is not taxable in this state.

099.04 Motor vehicle washing and waxing.

099.04A Motor vehicle washing and waxing includes washing or cleaning, waxing, polishing, or detailing the interior or the exterior of a motor vehicle.

099.04A(1) Charges for washing or waxing of common carrier vehicles are taxable.

099.04A(2) Charges for washing or waxing of inventory motor vehicles of licensed motor vehicle dealers are taxable.

099.04B For the proper calculation of the tax from coin-operated wash facilities see Reg-1-031, Coin-operated Machines.

099.04C Any person providing motor vehicle washing and waxing services must pay sales or use tax on all purchases of materials, equipment, and supplies, including towels, soaps, and waxes, used to provide his or her services.

099.05 Motor vehicle painting.

099.05A Motor vehicle painting includes, but is not limited to, refinishing, sealing, or applying rust protection or clear coat to motor vehicles.

099.05A(1) Motor vehicle painting also includes the labor and services necessary to prepare the vehicle, or parts of the vehicle, for painting or to clean the vehicle after painting.

099.05A(2) Motor vehicle painting does not include the replacement of parts or any repairs to a motor vehicle other than the repair of the finish or coatings on the vehicle.

099.05B Any person providing motor vehicle painting services must pay sales or use tax on all purchases of materials, equipment, and supplies, including sandpaper, compounds, tape, and cleaners,

used to provide his or her services.

099.06 Installation of accessories or equipment.

099.06A The charges for the installation of accessories or equipment on a motor vehicle are taxable.

099.06A(1) The installation of accessories or equipment on a motor vehicle includes, but is not limited to, adding a radio or CD player, running boards, trailer hitches, bed liners, window tinting, or a moon roof.

099.06B The installation of accessories or equipment does not include the replacement of a nonfunctioning part or component of the motor vehicle with a comparable part or component.

099.06C For the taxability of installation of equipment for transporting medically disabled persons, such as wheelchair lifts see Reg-1-050, Medicines and Medical Equipment.

099.07 Any person providing services on motor vehicles must pay sales or use tax on all purchases of materials, equipment, and supplies used to provide his or her services.

(Section 77-2702.07, R.R.S. 2003. October 1, 2003.)