



Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

FEBRUARY 25, 2013

Foreign Diplomats Motor Vehicle Tax Exemption

Purpose

This Special Notice provides the U.S. Department of State's revised procedures on purchases or leases of automobiles, vessels, aircraft and other motor vehicles by foreign diplomats and explains how they can request and obtain a retail sales tax and use tax exemption.

Foreign diplomats motor vehicle tax exemption

The United States Department of State's Office of Foreign Missions (OFM) enforces the sales and use tax exemption on purchases of motor vehicles by eligible foreign missions and their members for official or personal use. ALL tax-exempt motor vehicle purchases by eligible foreign missions and their members must be authorized by OFM.

This exemption is authorized by the issuance of a Motor Vehicle Tax-Exemption Letter by OFM to the seller. Prior to finalizing a purchase or lease of a motor vehicle, all foreign missions and their accredited members must instruct the seller to contact OFM during normal business hours to request the issuance of the Motor Vehicle Tax-Exemption Letter.

Motor vehicle sellers may make such requests by email or telephone. Sellers in Washington should direct requests to the San Francisco OFM: OFMSFCustomerService@state.gov or (415) 744-2910.

Sellers must provide the following information:

1. The seller's name, mailing address, and telephone and fax numbers;
2. The color, year, make, and model of the motor vehicle that the mission or accredited mission member is planning to acquire; and
3. For official motor vehicles: the name of the foreign mission that is purchasing or leasing a motor vehicle; or
4. For personal motor vehicles:
 - a. the name (as it appears on their current "A series" visa) of the accredited mission member or their dependent who is purchasing or leasing a motor vehicle,
 - b. the name of the foreign mission to which the individual is assigned, and
 - c. the individual's Department-issued Personal Identification Number (PID). (Note that individuals must present proof of accreditation to the seller/lessor – i.e., valid passport which contains their current "A series" visa, or Department-issued protocol identification card, or Department-issued driver's license, or Department-issued Diplomatic Tax Exemption Card.)

OFM strives to transmit Motor Vehicle Tax-Exemption Letters to the requesting seller/lessor by either electronic mail or facsimile within two hours of receiving the request.

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Diplomatic Tax Exemption Cards Diplomatic Tax Exemption Cards cannot be used to exempt purchases of motor vehicles from sales or use tax.

Motor vehicle definition For purposes of this exemption, a “motor vehicle” is defined as any self-propelled vehicle, including but not limited to automobiles, motorcycles, boats, and aircraft.

Recordkeeping requirements Sellers must keep a copy of the Motor Vehicle Tax-Exemption Letter issued by OFM with the sales invoice to support any deduction claimed on excise tax returns for motor vehicle sales to foreign missions and their members.

Seller’s business and occupation tax Income from the sale of motor vehicles to foreign missions and their members is subject to business and occupation (B&O) tax under the Retailing classification even if the transaction qualifies for exemption from sales tax.

For more Information For more information, visit OFM’s website at:
<http://www.state.gov/ofm/tax/vehicle/index.htm>.

You may also contact the Department of Revenue’s Telephone Information Center at 360-705-6705.