

Expansion of Rental Car Tax

Rental
Car tax
notice

Effective July 1, 2001, Chapter 325, Public Acts 2001, expands the scope of the Rental Car Tax defined in Tenn. Code Ann. Section 67-4-1901(a). Chapter 325 inserts into the first sentence, after the language “private passenger motor vehicle,” the language “or a vehicle with a maximum gross weight rating classification of Class Four or under as defined by Section 55-4-113 or trailers as defined in Section 55-1-105(4).” This means that, in addition to private passenger motor vehicles, the rental car tax will apply to the rental of these two additional types of conveyances.

Tenn. Code Ann. Section 55-4-113 defines Class Four vehicles as freight motor vehicles with declared maximum gross weight, including vehicle and load, not in excess of 26,000 pounds. This act levies the surcharge on all freight motor

vehicles of up to, but not greater than, 26,000 pounds, including truck tractors used exclusively to pull lowboy type trailers on which are transported machinery that is used only for agricultural purposes and trucks on which are mounted lime or fertilizer spreaders.

Tenn. Code Ann. Section 55-1-105(4) defines trailers as every vehicle with or without motive power, other than a pole trailer, designed for carrying persons or property and for being drawn by a motor vehicle and so constructed that no part of its weight rests upon the towing vehicle. Have questions or comments? Please let us know. [Contact us.](#)

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