

WEBSITES

Illinois Department of Revenue

www.revenue.state.il.us

Illinois Secretary of State

www.cyberdriveillinois.com

Student Legal Service

www.odos.illinois.edu/sls

Driver Services Facility Finder

<https://www.ilsos.gov/facilityfinder/facility>

You **MUST** declare the actual sale/purchase price to the Secretary of State.

No exceptions.

Read inside and follow the steps to avoid getting a TAX LIEN letter from the State or being charged with TAX FRAUD.

STUDENT LEGAL SERVICE

324 Illini Union

Office Hours: 8:30-Noon & 1-4:30pm, M-F

www.odos.illinois.edu/sls

studentlegalservice@illinois.edu

facebook.com/illinois.sls

A Unit of the Office of the Dean of Students. *Student Affairs at Illinois.*



ILLINOIS

UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN

SELLING YOUR CAR?

BUYING A CAR FROM SOMEONE?

-- YOU WILL OWE TAXES --



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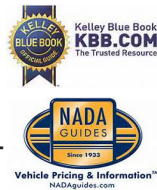
TAXES....WHEN SELLING YOUR CAR

Reporting a wrong purchase price is **FRAUD**.
Saying a “**SALE**” is a “**GIFT**” is **FRAUD**.

1. When you sell your car, you must declare the actual selling/purchase price. No exceptions.
 - If you sell a 2017 Mercedes and claim a sale price of \$15,000 or less, you will have to pay tax on the \$15,000 (or less) valuation.
 - However, there WILL be an audit by the Illinois Department of Revenue that shows the fair market value is \$60,000.
 - Tax will then be due on THAT amount PLUS penalties.
2. If you claim that the sale is a “gift,” you or the purchaser will still be charged taxes for the Fair Market Value of the vehicle. Calling it a gift does not make it a gift!
3. If you are an International Student and fail to pay the proper amount of tax by falsely declaring the sale amount
 - it will likely be regarded as TAX FRAUD that can result in
 - Exclusion from re-entry into the United States and
 - could result in Deportation/Removal if you are formally charged and convicted.

What should you do?

1. Check the Kelley Blue Book, **kbb.com**, or NADA Guides, **NADAguides.com**, for fair market value pricing.
2. Download Form RUT-50, Private Party Vehicle Use Tax Chart: <http://tax.illinois.gov/TaxForms/Sales/VehicleUseTax/RUT-5.pdf>
3. Pay the correct tax.



INFORMATION PAMPHLETS

Vehicle and Title Registration (VSD-293)

www.cyberdriveillinois.com/publications/pdf_publications/vsd293.pdf

Buying or Selling a Used Vehicle (DOP-143)

www.cyberdriveillinois.com/publications/pdf_publications/sos_dop141.pdf

FORMS

Seller's Report of Sale (VSD-703) (“Notice of Sale” form mentioned in “Buying or Selling a Used Vehicle”)

www.cyberdriveillinois.com/publications/pdf_publications/vsd703.pdf

Application for Vehicle Transactions (VSC-190)

www.cyberdriveillinois.com/departments/vehicles/title_and_registration/pert.html

Private Party Vehicle Use Tax (RUT-50)

tax.illinois.gov/TaxForms/Sales/VehicleUseTax/RUT-5.pdf

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