

# Travis County Tax Office

### Calculating Texas Sales Tax

Texas residents are required to pay 6.25% sales tax to the state of Texas when purchasing a vehicle. If sales tax was paid in another state, the vehicle owner will get credit for the sales tax already paid on the vehicle and will pay the difference between the rates when titling the vehicle in Texas. Use the following to determine how much is owed:

Proof of Sales Tax Paid	Sales Tax Due
Bill of sale includes an itemized sales tax collection that is 6.25% or more	No sales tax is due to the state of Texas. Provide proof of sales tax paid by submitting the itemized bill of sale.
Bill of sale is not itemized or no sales tax has been paid to the state where the vehicle was purchased	Sales tax is calculated using the following formula:
	(Vehicle Price – Trade in Value) x 6.25%.
	<b>Example:</b> The vehicle was purchased for \$29,500 and there was a trade in value of \$5,400.
	Step 1: Calculate the amount subject to tax
	29,500 - 5,400 = 24,100
	Step 2: Multiply the result by .0625%
	24,100 x .0625
	Sales Tax Due in Texas = \$1,506.25
	Provide proof of sales tax paid by submitting the itemized bill of sale along with \$1,506.25.
Bill of sale includes an itemized sales tax collection that is less than 6.25%	Sales tax is calculated using the following formula:
	(Vehicle Price - Trade in Value) x (6.25% - percent paid to your state)
	<b>Example:</b> The vehicle was purchased for \$29,500 and there was a trade in value of \$5,400. Your state collected 4% sales tax.
	Step 1: Calculate the amount subject to tax
	29,500 - 5,400 = 24,100
	Step 2: Calculate the difference in tax rates
	.062504 = .0225
	Step 3: Multiply by the amount subject to tax by the new tax rate
	24,100 x .0225 = \$542.25
	Provide proof of sales tax paid by submitting the itemized bill of sale along with \$542.25.



## **Travis County Tax Office**

## Registration Fee Schedule for Travis County

#### **Estimated registration costs of Texas vehicles:**

\$76.25 - Passenger Vehicles and Light Trucks weighing up to 6,000 pounds

\$79.50 - Trucks 6,001 - 10,000 pounds

\$68.75 - Trailers 6,000 pounds or less

\$54.75 – Motorcycles

#### Mail the title & registration application package and proper fees to:

Travis County Tax Office P.O. Box 149326 Austin, TX 78714-9326

**Note:** If you would like a copy of the completed paperwork, enclose a note and return label from your dealership.

