

## 2020 Trade-In Sales Tax Credit Calculation Worksheet

(Please see instructions on next page. For fields A through F you must enter a valid dollar amount including cents, for example, 100.00)

<b>A. Purchase Price of Vehicle</b> Entered on RD-108 Line 1; Including Freight & Accessories	Enter Amount \$ _____
<b>B. Other Taxable Charges</b> Entered on RD-108 Line 2; Documentary fee, Service fee, Temp. Reg. fee, Etc.	Enter Amount \$ _____
<b>C. Total Price Used to Calculate Trade-In</b> The sum of boxes A and B equal the amount entered in box C (Boxes A + B = Box C)	Enter Amount \$ _____
<b>D. Trade-In Credit</b> Entered on RD-108 Line 3 (Up to maximum of \$6,000.00 effective 01/01/2020)	Enter Amount \$ _____
<b>E. Total Taxable Price</b> Entered on Line 4 of the RD-108. Total price entered in box C minus trade-in credit listed in box D (Box C – Box D = Box E)	Enter Amount \$ _____
<b>F. Sales Tax Due</b> Total taxable price times the Michigan sales tax rate; The amount entered in box E times the sales tax rate (Box E x 0.06 = Box F)	Enter Amount \$ _____
<b>G. Total Delivered Price</b> Entered on RD-108 Line 7; add RD-108 Lines 1+2+5+6 = RD-108 Line 7	Enter Amount \$ _____

Vehicle Identification Number (VIN)	Vehicle Year, Make	Delivery Date
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**Please Note:** This form is NO LONGER REQUIRED with the new RD-108. It is only available to assist dealers calculate proper trade-in sales tax credit. DO NOT include a copy with any vehicle sales transactions submitted to a Secretary of State branch office.

# Trade-In Sales Tax Credit Calculation Worksheet Instructions:

For fields A through F you must enter a valid dollar amount including cents, for example, 100.00.

## A. Purchase Price of Vehicle – Entered on RD-108 Line 1

Box A includes the purchase price of a vehicle, factory-installed accessories, freight destination charge, and the dealer-installed accessories.

## B. Other Taxable Charges – Entered on RD-108 Line 2

Box B includes all other taxable charges (e.g., documentary fee, service fee, temporary registration fee, etc.).

**Please Note:** CVR dealers must include in Box B the CVR fee from Line 2A of the RD-108E.

## C. Total price used to calculate trade-in sales tax credit

Box C is calculated by adding the “Purchase Price of Vehicle” and “Other Taxable Charges”. Enter the sums of Boxes A and B (Box A + Box B = Box C).

## D. Trade-In Credit – Entered on RD-108 Line 3

Box D is the agreed-upon value of the trade-in vehicle as part payment up to a maximum of \$6,000.00 effective January 1, 2020.

## E. Total Taxable Price – Entered on RD-108 Line 4

Box E is calculated by subtracting the “Trade-In Credit” listed in Box D from the “Total Price Used to Calculate Trade-In” listed in Box C (Box C – Box D = Box E).

## F. Sales Tax Due

Enter the amount of sales tax owed by multiplying the “Total Taxable Price by the 0.06 Michigan sales tax rate (Box E x 0.06 = Box F).

## G. Total Delivered Price – Entered on RD-108 Line 7

**Important:** When there is a trade-in credit RD-108 Line 7 is calculated by adding Lines 1, 2, 5, and 6 as the “Total Delivered Price” (RD-108 Lines 1+2+5+6 = Line 7).

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