

State of Arizona  
House of Representatives  
Fifty-first Legislature  
First Regular Session  
2013

**CHAPTER 40**  
**HOUSE BILL 2267**

AN ACT

AMENDING SECTIONS 28-4410.01, 42-2003 AND 42-5009, ARIZONA REVISED STATUTES;  
RELATING TO PUBLIC CONSIGNMENT AUCTION DEALERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 28-4410.01, Arizona Revised Statutes, is amended to  
3 read:  
4 28-4410.01. Public consignment auction dealers; exemptions;  
5 notices; requirements; payment of taxes;  
6 wholesale motor vehicle dealer prohibition  
7 A. A public consignment auction dealer is exempt from the following:  
8 1. An implied warranty of merchantability described in section  
9 28-4412, subsection B and section 44-1267.  
10 2. An emissions inspection pursuant to section 49-542, subsection D.  
11 B. A public consignment auction dealer shall post at the public  
12 consignment auction dealer's established place of business a sign indicating  
13 that the public consignment auction dealer is exempt from the provisions  
14 described in subsection A of this section.  
15 C. A public consignment auction dealer, on transferring a motor  
16 vehicle by sale, shall ~~give~~ PROVIDE written notice to the department OF  
17 TRANSPORTATION AND THE DEPARTMENT OF REVENUE within fifteen days after the  
18 transfer on a form JOINTLY prescribed by the ~~director~~ DIRECTORS OF THE  
19 DEPARTMENTS that includes:  
20 1. The date of the transfer.  
21 2. The name and address of the seller.  
22 3. The name and address of the purchaser.  
23 4. The vehicle identification number of the motor vehicle.  
24 5. The make and model of the motor vehicle.  
25 6. The successful bid price and any premiums or commissions paid  
26 associated with the auction of the motor vehicle.  
27 7. Notice as to whether the vehicle is a salvage vehicle.  
28 D. A public consignment auction dealer who fails to provide written  
29 notice to the department within fifteen days after transferring a motor  
30 vehicle, as prescribed by subsection C of this section, shall pay the  
31 department a penalty of eight dollars for the first month and four dollars  
32 for each additional month that the notice is not provided, not to exceed a  
33 total of one hundred dollars.  
34 E. A public consignment auction dealer, on transferring a motor  
35 vehicle by sale, shall give written notice to the purchaser at the time of  
36 delivery of the motor vehicle to the purchaser in the form of an invoice or  
37 on a form prescribed by the director that includes:  
38 1. The date of the transfer.  
39 2. The vehicle identification number of the motor vehicle.  
40 3. The make and model of the motor vehicle.  
41 4. The successful bid price and any premiums or commissions paid  
42 associated with the auction of the motor vehicle.  
43 5. Notice as to whether the vehicle is a salvage vehicle.  
44 F. A public consignment auction dealer shall keep and maintain at the  
45 public consignment auction dealer's established place of business a permanent  
46 record in a form prescribed by the director. The permanent record shall

1 include the information prescribed by subsection C of this section and  
2 contain a description of all motor vehicle transfers and sales. The public  
3 consignment auction dealer shall make the permanent record available for  
4 inspection by the department of transportation, the department of revenue or  
5 any peace officer.

6 G. A public consignment auction dealer shall do all of the following:  
7 1. Inform the purchaser of a motor vehicle that the purchaser is  
8 responsible for the emission inspection requirements described in section  
9 49-542, subsection D.

10 2. Comply with the consignment contract requirements prescribed in  
11 section 28-4410 if the motor vehicle is acquired from a person other than a  
12 licensee, EXCEPT THAT THE PUBLIC CONSIGNMENT AUCTION DEALER SHALL OBTAIN  
13 DOCUMENTATION THAT SHOWS THAT THE SELLER OF THE VEHICLE IS THE LEGAL OWNER OF  
14 THE VEHICLE.

15 3. Comply with the requirements of section 28-4409 relating to  
16 evidence of ownership if the motor vehicle is acquired from another licensee.

17 4. Comply with the requirements of section 28-2091 relating to salvage  
18 certificates of title.

19 H. IF A PUBLIC CONSIGNMENT AUCTION DEALER VIOLATES THIS SECTION, THE  
20 DIRECTOR MAY DO EITHER OF THE FOLLOWING:

21 1. SUSPEND OR CANCEL THE DEALER'S LICENSE.

22 2. IMPOSE A CIVIL PENALTY OF AT LEAST ONE THOUSAND DOLLARS BUT NOT  
23 MORE THAN THREE THOUSAND DOLLARS AS PRESCRIBED IN THIS SECTION OR IN SECTION  
24 28-4501.

25 ~~H.~~ I. This section does not exempt a public consignment auction  
26 dealer from any transaction privilege tax imposed pursuant to title 42,  
27 chapter 5.

28 ~~I.~~ J. A wholesale motor vehicle dealer shall not sell motor vehicles  
29 to a public consignment auction dealer.

30 Sec. 2. Section 42-2003, Arizona Revised Statutes, is amended to read:  
31 42-2003. Authorized disclosure of confidential information

32 A. Confidential information relating to:

33 1. A taxpayer may be disclosed to the taxpayer, its successor in  
34 interest or a designee of the taxpayer who is authorized in writing by the  
35 taxpayer. A principal corporate officer of a parent corporation may execute  
36 a written authorization for a controlled subsidiary.

37 2. A corporate taxpayer may be disclosed to any principal officer, any  
38 person designated by a principal officer or any person designated in a  
39 resolution by the corporate board of directors or other similar governing  
40 body.

41 3. A partnership may be disclosed to any partner of the partnership.  
42 This exception does not include disclosure of confidential information of a  
43 particular partner unless otherwise authorized.

44 4. An estate may be disclosed to the personal representative of the  
45 estate and to any heir, next of kin or beneficiary under the will of the  
46 decedent if the department finds that the heir, next of kin or beneficiary

1 has a material interest which will be affected by the confidential  
2 information.

3 5. A trust may be disclosed to the trustee or trustees, jointly or  
4 separately, and to the grantor or any beneficiary of the trust if the  
5 department finds that the grantor or beneficiary has a material interest that  
6 will be affected by the confidential information.

7 6. Any taxpayer may be disclosed if the taxpayer has waived any rights  
8 to confidentiality either in writing or on the record in any administrative  
9 or judicial proceeding.

10 7. The name and taxpayer identification numbers of persons issued  
11 direct payment permits may be publicly disclosed.

12 B. Confidential information may be disclosed to:

13 1. Any employee of the department whose official duties involve tax  
14 administration.

15 2. The office of the attorney general solely for its use in  
16 preparation for, or in an investigation that may result in, any proceeding  
17 involving tax administration before the department or any other agency or  
18 board of this state, or before any grand jury or any state or federal court.

19 3. The department of liquor licenses and control for its use in  
20 determining whether a spirituous liquor licensee has paid all transaction  
21 privilege taxes and affiliated excise taxes incurred as a result of the sale  
22 of spirituous liquor, as defined in section 4-101, at the licensed  
23 establishment and imposed on the licensed establishments by this state and  
24 its political subdivisions.

25 4. Other state tax officials whose official duties require the  
26 disclosure for proper tax administration purposes if the information is  
27 sought in connection with an investigation or any other proceeding conducted  
28 by the official. Any disclosure is limited to information of a taxpayer who  
29 is being investigated or who is a party to a proceeding conducted by the  
30 official.

31 5. The following agencies, officials and organizations, if they grant  
32 substantially similar privileges to the department for the type of  
33 information being sought, pursuant to statute and a written agreement between  
34 the department and the foreign country, agency, state, Indian tribe or  
35 organization:

36 (a) The United States internal revenue service, alcohol and tobacco  
37 tax and trade bureau of the United States treasury, United States bureau of  
38 alcohol, tobacco, firearms and explosives of the United States department of  
39 justice, United States drug enforcement agency and federal bureau of  
40 investigation.

41 (b) A state tax official of another state.

42 (c) An organization of states, federation of tax administrators or  
43 multistate tax commission that operates an information exchange for tax  
44 administration purposes.

1 (d) An agency, official or organization of a foreign country with  
2 responsibilities that are comparable to those listed in subdivision (a), (b)  
3 or (c) of this paragraph.

4 (e) An agency, official or organization of an Indian tribal government  
5 with responsibilities comparable to the responsibilities of the agencies,  
6 officials or organizations identified in subdivision (a), (b) or (c) of this  
7 paragraph.

8 6. The auditor general, in connection with any audit of the department  
9 subject to the restrictions in section 42-2002, subsection D.

10 7. Any person to the extent necessary for effective tax administration  
11 in connection with:

12 (a) The processing, storage, transmission, destruction and  
13 reproduction of the information.

14 (b) The programming, maintenance, repair, testing and procurement of  
15 equipment for purposes of tax administration.

16 (c) The collection of the taxpayer's civil liability.

17 8. The office of administrative hearings relating to taxes  
18 administered by the department pursuant to section 42-1101, but the  
19 department shall not disclose any confidential information:

20 (a) Regarding income tax or withholding tax.

21 (b) On any tax issue relating to information associated with the  
22 reporting of income tax or withholding tax.

23 9. The United States treasury inspector general for tax administration  
24 for the purpose of reporting a violation of internal revenue code section  
25 7213A (26 United States Code section 7213A), unauthorized inspection of  
26 returns or return information.

27 10. The financial management service of the United States treasury  
28 department for use in the treasury offset program.

29 11. The United States treasury department or its authorized agent for  
30 use in the state income tax levy program and in the electronic federal tax  
31 payment system.

32 12. The Arizona commerce authority for its use in:

33 (a) Qualifying renewable energy operations for the tax incentives  
34 under sections 42-12006, 43-1083.01 and 43-1164.01.

35 (b) Qualifying businesses with a qualified facility for income tax  
36 credits under sections 43-1083.03 and 43-1164.04.

37 (c) Fulfilling its annual reporting responsibility pursuant to section  
38 41-1511, subsections U and V and section 41-1512, subsections U and V.

39 13. A prosecutor for purposes of section 32-1164, subsection C.

40 14. The state fire marshal for use in determining compliance with and  
41 enforcing title 41, chapter 16, article 3.1.

42 15. The department of transportation for its use in administering taxes  
43 ~~and~~, surcharges **AND PENALTIES** prescribed by title 28.

44 C. Confidential information may be disclosed in any state or federal  
45 judicial or administrative proceeding pertaining to tax administration  
46 pursuant to the following conditions:

1           1. One or more of the following circumstances must apply:

2           (a) The taxpayer is a party to the proceeding.

3           (b) The proceeding arose out of, or in connection with, determining  
4 the taxpayer's civil or criminal liability, or the collection of the  
5 taxpayer's civil liability, with respect to any tax imposed under this title  
6 or title 43.

7           (c) The treatment of an item reflected on the taxpayer's return is  
8 directly related to the resolution of an issue in the proceeding.

9           (d) Return information directly relates to a transactional  
10 relationship between a person who is a party to the proceeding and the  
11 taxpayer and directly affects the resolution of an issue in the proceeding.

12           2. Confidential information may not be disclosed under this subsection  
13 if the disclosure is prohibited by section 42-2002, subsection C or D.

14           D. Identity information may be disclosed for purposes of notifying  
15 persons entitled to tax refunds if the department is unable to locate the  
16 persons after reasonable effort.

17           E. The department, on the request of any person, shall provide the  
18 names and addresses of bingo licensees as defined in section 5-401, verify  
19 whether or not a person has a privilege license and number, a distributor's  
20 license and number or a withholding license and number or disclose the  
21 information to be posted on the department's website or otherwise publicly  
22 accessible pursuant to section 42-1124, subsection F and section 42-3201,  
23 subsection A.

24           F. A department employee, in connection with the official duties  
25 relating to any audit, collection activity or civil or criminal  
26 investigation, may disclose return information to the extent that disclosure  
27 is necessary to obtain information that is not otherwise reasonably  
28 available. These official duties include the correct determination of and  
29 liability for tax, the amount to be collected or the enforcement of other  
30 state tax revenue laws.

31           G. If an organization is exempt from this state's income tax as  
32 provided in section 43-1201 for any taxable year, the name and address of the  
33 organization and the application filed by the organization on which the  
34 department made its determination for exemption together with any papers  
35 submitted in support of the application and any letter or document issued by  
36 the department concerning the application are open to public inspection.

37           H. Confidential information relating to transaction privilege tax, use  
38 tax, severance tax, jet fuel excise and use tax and ~~and~~ any other tax  
39 collected by the department on behalf of the county may be disclosed to any  
40 county, city or town tax official if the information relates to a taxpayer  
41 who is or may be taxable by the county, city or town. Any taxpayer  
42 information released by the department to the county, city or town:

43           1. May only be used for internal purposes.

44           2. May not be disclosed to the public in any manner that does not  
45 comply with confidentiality standards established by the department. The  
46 county, city or town shall agree in writing with the department that any

1 release of confidential information that violates the confidentiality  
2 standards adopted by the department will result in the immediate suspension  
3 of any rights of the county, city or town to receive taxpayer information  
4 under this subsection.

5 I. The department may disclose statistical information gathered from  
6 confidential information if it does not disclose confidential information  
7 attributable to any one taxpayer. The department may disclose statistical  
8 information gathered from confidential information, even if it discloses  
9 confidential information attributable to a taxpayer, to:

10 1. The state treasurer in order to comply with the requirements of  
11 section 42-5029, subsection A, paragraph 3.

12 2. The joint legislative income tax credit review committee and the  
13 joint legislative budget committee staff in order to comply with the  
14 requirements of section 43-221.

15 J. The department may disclose the aggregate amounts of any tax  
16 credit, tax deduction or tax exemption enacted after January 1, 1994.  
17 Information subject to disclosure under this subsection shall not be  
18 disclosed if a taxpayer demonstrates to the department that such information  
19 would give an unfair advantage to competitors.

20 K. Except as provided in section 42-2002, subsection C, confidential  
21 information, described in section 42-2001, paragraph 1, subdivision (a), item  
22 (ii), may be disclosed to law enforcement agencies for law enforcement  
23 purposes.

24 L. The department may provide transaction privilege tax license  
25 information to property tax officials in a county for the purpose of  
26 identification and verification of the tax status of commercial property.

27 M. The department may provide transaction privilege tax, luxury tax,  
28 use tax, property tax and severance tax information to the ombudsman-citizens  
29 aide pursuant to title 41, chapter 8, article 5.

30 N. Except as provided in section 42-2002, subsection D, a court may  
31 order the department to disclose confidential information pertaining to a  
32 party to an action. An order shall be made only upon a showing of good cause  
33 and that the party seeking the information has made demand upon the taxpayer  
34 for the information.

35 O. This section does not prohibit the disclosure by the department of  
36 any information or documents submitted to the department by a bingo licensee.  
37 Before disclosing the information the department shall obtain the name and  
38 address of the person requesting the information.

39 P. If the department is required or permitted to disclose confidential  
40 information, it may charge the person or agency requesting the information  
41 for the reasonable cost of its services.

42 Q. Except as provided in section 42-2002, subsection D, the department  
43 of revenue shall release confidential information as requested by the  
44 department of economic security pursuant to section 42-1122 or 46-291.  
45 Information disclosed under this subsection is limited to the same type of

1 information that the United States internal revenue service is authorized to  
2 disclose under section 6103(1)(6) of the internal revenue code.

3 R. Except as provided in section 42-2002, subsection D, the department  
4 of revenue shall release confidential information as requested by the courts  
5 and clerks of the court pursuant to section 42-1122.

6 S. To comply with the requirements of section 42-5031, the department  
7 may disclose to the state treasurer, to the county stadium district board of  
8 directors and to any city or town tax official that is part of the county  
9 stadium district confidential information attributable to a taxpayer's  
10 business activity conducted in the county stadium district.

11 T. The department shall release confidential information as requested  
12 by the attorney general for purposes of determining compliance with and  
13 enforcing section 44-7101, the master settlement agreement referred to  
14 therein and subsequent agreements to which the state is a party that amend or  
15 implement the master settlement agreement. Information disclosed under this  
16 subsection is limited to luxury tax information relating to tobacco  
17 manufacturers, distributors, wholesalers and retailers and information  
18 collected by the department pursuant to section 44-7101(2)(j).

19 U. For proceedings before the department, the office of administrative  
20 hearings, the board of tax appeals or any state or federal court involving  
21 penalties that were assessed against a return preparer, an electronic return  
22 preparer or a payroll service company pursuant to section 42-1103.02,  
23 42-1125.01 or 43-419, confidential information may be disclosed only before  
24 the judge or administrative law judge adjudicating the proceeding, the  
25 parties to the proceeding and the parties' representatives in the proceeding  
26 prior to its introduction into evidence in the proceeding. The confidential  
27 information may be introduced as evidence in the proceeding only if the  
28 taxpayer's name, the names of any dependents listed on the return, all social  
29 security numbers, the taxpayer's address, the taxpayer's signature and any  
30 attachments containing any of the foregoing information are redacted and if  
31 either:

32 1. The treatment of an item reflected on such return is or may be  
33 related to the resolution of an issue in the proceeding.

34 2. Such return or return information relates or may relate to a  
35 transactional relationship between a person who is a party to the proceeding  
36 and the taxpayer which directly affects the resolution of an issue in the  
37 proceeding.

38 3. The method of payment of the taxpayer's withholding tax liability  
39 or the method of filing the taxpayer's withholding tax return is an issue for  
40 the period.

41 V. The department may disclose to the attorney general confidential  
42 information received under section 44-7111 and requested by the attorney  
43 general for purposes of determining compliance with and enforcing section  
44 44-7111. The department and attorney general shall share with each other the  
45 information received under section 44-7111, and may share the information  
46 with other federal, state or local agencies only for the purposes of

1 enforcement of section 36-798.06, 44-7101, ~~OR~~ 44-7111 or corresponding laws  
2 of other states.

3 W. The department may provide the name and address of qualifying  
4 hospitals and qualifying health care organizations, as defined in section  
5 42-5001, to a business classified and reporting transaction privilege tax  
6 under the utilities classification.

7 X. The department may disclose to the attorney general confidential  
8 information requested by the attorney general for the purposes of determining  
9 compliance with and enforcing section 36-798.06.

10 Y. The department may disclose to an official of any city, town or  
11 county in a current agreement or considering a prospective agreement with the  
12 department as described in section 42-5032.02, subsection F any information  
13 relating to amounts subject to distribution required by section 42-5032.02.  
14 Information disclosed by the department under this subsection:

15 1. May only be used by the city, town or county for internal purposes.

16 2. May not be disclosed to the public in any manner that does not  
17 comply with confidentiality standards established by the department. The  
18 city, town or county must agree with the department in writing that any  
19 release of confidential information that violates the confidentiality  
20 standards will result in the immediate suspension of any rights of the city,  
21 town or county to receive information under this subsection.

22 Sec. 3. Section 42-5009, Arizona Revised Statutes, is amended to read:

23 42-5009. Certificates establishing deductions; liability for  
24 making false certificate

25 A. A person who conducts any business classified under article 2 of  
26 this chapter may establish entitlement to the allowable deductions from the  
27 tax base of that business by both:

28 1. Marking the invoice for the transaction to indicate that the gross  
29 proceeds of sales or gross income derived from the transaction was deducted  
30 from the tax base.

31 2. Obtaining a certificate executed by the purchaser indicating the  
32 name and address of the purchaser, the precise nature of the business of the  
33 purchaser, the purpose for which the purchase was made, the necessary facts  
34 to establish the appropriate deduction and the tax license number of the  
35 purchaser to the extent the deduction depends on the purchaser conducting  
36 business classified under article 2 of this chapter and a certification that  
37 the person executing the certificate is authorized to do so on behalf of the  
38 purchaser. The certificate may be disregarded if the seller has reason to  
39 believe that the information contained in the certificate is not accurate or  
40 complete.

41 B. A person who does not comply with subsection A of this section may  
42 establish entitlement to the deduction by presenting facts necessary to  
43 support the entitlement, but the burden of proof is on that person.

44 C. The department may prescribe a form for the certificate described  
45 in subsection A of this section. Under such rules as it may prescribe, the  
46 department may also describe transactions with respect to which a person is

1 not entitled to rely solely on the information contained in the certificate  
2 provided for in subsection A of this section but must instead obtain such  
3 additional information as required by the rules in order to be entitled to  
4 the deduction.

5 D. If a seller is entitled to a deduction by complying with subsection  
6 A of this section, the department may require the purchaser that caused the  
7 execution of the certificate to establish the accuracy and completeness of  
8 the information required to be contained in the certificate that would  
9 entitle the seller to the deduction. If the purchaser cannot establish the  
10 accuracy and completeness of the information, the purchaser is liable in an  
11 amount equal to any tax, penalty and interest that the seller would have been  
12 required to pay under this article if the seller had not complied with  
13 subsection A of this section. Payment of the amount under this subsection  
14 exempts the purchaser from liability for any tax imposed under article 4 of  
15 this chapter. The amount shall be treated as tax revenues collected from the  
16 seller in order to designate the distribution base for purposes of section  
17 42-5029.

18 E. If a seller is entitled to a deduction by complying with subsection  
19 B of this section, the department may require the purchaser to establish the  
20 accuracy and completeness of the information provided to the seller that  
21 entitled the seller to the deduction. If the purchaser cannot establish the  
22 accuracy and completeness of the information, the purchaser is liable in an  
23 amount equal to any tax, penalty and interest that the seller would have been  
24 required to pay under this article if the seller had not complied with  
25 subsection B of this section. Payment of the amount under this subsection  
26 exempts the purchaser from liability for any tax imposed under article 4 of  
27 this chapter. The amount shall be treated as tax revenues collected from the  
28 seller in order to designate the distribution base for purposes of section  
29 42-5029.

30 F. The department may prescribe a form for a certificate used to  
31 establish entitlement to the deductions described in section 42-5061,  
32 subsection A, paragraph 47 and section 42-5063, subsection B, paragraph 3.  
33 Under rules the department may prescribe, the department may also require  
34 additional information for the seller to be entitled to the deduction. If a  
35 seller is entitled to the deductions described in section 42-5061, subsection  
36 A, paragraph 47 and section 42-5063, subsection B, paragraph 3, the  
37 department may require the purchaser who executed the certificate to  
38 establish the accuracy and completeness of the information contained in the  
39 certificate that would entitle the seller to the deduction. If the purchaser  
40 cannot establish the accuracy and completeness of the information, the  
41 purchaser is liable in an amount equal to any tax, penalty and interest that  
42 the seller would have been required to pay under this article. Payment of  
43 the amount under this subsection exempts the purchaser from liability for any  
44 tax imposed under article 4 of this chapter. The amount shall be treated as  
45 tax revenues collected from the seller in order to designate the distribution  
46 base for purposes of section 42-5029.

1 G. If a seller claims a deduction under section 42-5061, subsection A,  
2 paragraph 25 and establishes entitlement to the deduction with an exemption  
3 letter that the purchaser received from the department and the exemption  
4 letter was based on a contingent event, the department may require the  
5 purchaser that received the exemption letter to establish the satisfaction of  
6 the contingent event within a reasonable time. If the purchaser cannot  
7 establish the satisfaction of the event, the purchaser is liable in an amount  
8 equal to any tax, penalty and interest that the seller would have been  
9 required to pay under this article if the seller had not been furnished the  
10 exemption letter. Payment of the amount under this subsection exempts the  
11 purchaser from liability for any tax imposed under article 4 of this chapter.  
12 The amount shall be treated as tax revenues collected from the seller in  
13 order to designate the distribution base for purposes of section 42-5029.  
14 For the purposes of this subsection, "reasonable time" means a time  
15 limitation that the department determines and that does not exceed the time  
16 limitations pursuant to section 42-1104.

17 H. The department shall prescribe forms for certificates used to  
18 establish the satisfaction of the criteria necessary to qualify the sale of a  
19 motor vehicle for the deductions described in section 42-5061, subsection A,  
20 paragraph 14, paragraph 28, subdivision (a) and paragraph 45 and  
21 subsection U. EXCEPT AS PROVIDED IN SUBSECTION J OF THIS SECTION, to  
22 establish entitlement to these deductions, a motor vehicle dealer shall  
23 retain:

24 1. A valid certificate as prescribed by this subsection completed by  
25 the purchaser and obtained prior to the issuance of the nonresident  
26 registration permit authorized by section 28-2154.

27 2. A copy of the nonresident registration permit authorized by section  
28 28-2154.

29 3. A legible copy of a current valid driver license issued to the  
30 purchaser by another state or foreign country that indicates an address  
31 outside of this state. For the sale of a motor vehicle to a nonresident  
32 entity, the entity's representative must have a current valid driver license  
33 issued by the same jurisdiction as that in which the entity is located.

34 4. For the purposes of the deduction provided by section 42-5061,  
35 subsection A, paragraph 14, a certificate documenting the delivery of the  
36 motor vehicle to an out-of-state location.

37 I. Notwithstanding subsection A, paragraph 2 of this section, if a  
38 motor vehicle dealer has established entitlement to a deduction by complying  
39 with subsection H of this section, the department may require the purchaser  
40 who executed the certificate to establish the accuracy and completeness of  
41 the information contained in the certificate that entitled the motor vehicle  
42 dealer to the deduction. If the purchaser cannot establish the accuracy and  
43 completeness of the information, the purchaser is liable in an amount equal  
44 to any tax, penalty and interest that the motor vehicle dealer would have  
45 been required to pay under this article and under articles IV and V of the  
46 model city tax code as defined in section 42-6051. Payment of the amount

1 under this subsection exempts the purchaser from liability for any tax  
2 imposed under article 4 of this chapter and any tax imposed under article VI  
3 of the model city tax code as defined in section 42-6051. The amount shall  
4 be treated as tax revenues collected from the motor vehicle dealer in order  
5 to designate the distribution base for purposes of section 42-5029.

6 J. TO ESTABLISH ENTITLEMENT TO THE DEDUCTION DESCRIBED IN SECTION  
7 42-5061, SUBSECTION A, PARAGRAPH 45, A PUBLIC CONSIGNMENT AUCTION DEALER AS  
8 DEFINED IN SECTION 28-4410.01 SHALL SUBMIT THE VALID CERTIFICATE PRESCRIBED  
9 BY SUBSECTION H OF THIS SECTION TO THE DEPARTMENT AND RETAIN A COPY FOR ITS  
10 RECORDS.

11 ~~J.~~ K. Notwithstanding any other law, compliance with subsection H of  
12 this section by a motor vehicle dealer entitles the motor vehicle dealer to  
13 the exemption provided in section 42-6004, subsection A, paragraph 4.

APPROVED BY THE GOVERNOR APRIL 4, 2013.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 4, 2013.