



Special Notice

Do You Sell or Lease Vehicles to Foreign Consuls? *New documentation requirements*

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If you sell or lease vehicles to foreign consuls who claim their purchase is exempt from tax, you must obtain and keep certain documents to support the tax-exempt sale or lease.

Prior to July 1, 2003, you were expected to obtain and keep a copy of the purchaser's tax exemption card to support the tax-exempt transaction. The Department of State, Office of Foreign Missions (OFM) has informed the Board of Equalization that effective July 1, 2003, you must also obtain a copy of a letter from the OFM's Tax and Customs Programs verifying the purchaser's tax-exempt status.

This change in procedures is designed to help members of the foreign diplomatic community purchase or lease vehicles in the U.S. for official or personal use.

Procedure:

- (1) The purchaser must present a valid mission tax exemption card, a personal tax exemption card, or a protocol identification card to you. You must retain a copy of the front and back of this card.
- (2) You then request a letter from the Tax and Customs Programs Office of the OFM regarding the tax-exempt status of the purchaser. The telephone numbers you can call to contact the California OFM regional offices are 415-744-2910 in San Francisco and 310-235-6292 in Los Angeles.
- (3) The OFM will fax you a letter stating whether the purchaser is eligible for exemption from any tax imposed at the point of purchase or lease. The only legal way to support a diplomatic tax exemption on a vehicle sale is by the OFM issuing this letter. You must retain a copy of the letter to support a tax-exempt sale.

Existing vehicle registration procedures have not changed as a result of this new policy. Diplomatic missions and their members, including dependents, are still required to register all vehicles they own or lease with the OFM, Diplomatic Vehicle Office. The OFM Diplomatic Tax Program is available for questions or concerns regarding this change in policy. You can contact the OFM office by phone at 202-895-3563.