

Prop. Treas. Reg. 48.4001-1(b)(2)(i)

Luxury tax imposed on passenger vehicles

(a) In general—

- (1) Imposition of tax. Section 4001 imposes a tax (the luxury automobile tax) on the first retail sale of a passenger vehicle if the sales price of the vehicle exceeds \$30,000.
- (2) Amount of tax. The luxury automobile tax is equal to 10 percent of the amount by which the sales price of the vehicle exceeds \$30,000.
- (3) Liability for tax. The luxury automobile tax shall be paid by the person who makes the first retail sale.

(b) Passenger vehicle defined—

- (1) In general. For purposes of this section, the term "passenger vehicle" means a 4-wheeled vehicle that is manufactured or sold primarily for use on public streets, roads, and highways, and that is—
 - (i) Rated (except in the case of a truck, van, or limousine) at 6,000 pounds unloaded gross vehicle weight or less;
 - (ii) A truck or van rated at 6,000 pounds gross vehicle weight or less; or
 - (iii) A limousine.

- (2) Meaning of terms. The following definitions set forth the meanings of certain terms for purposes of this paragraph (b)—



- (i) Unloaded gross vehicle weight. The term "unloaded gross vehicle weight" means the curb weight of a vehicle fully equipped for service, but without passengers or cargo.
- (ii) Gross vehicle weight. The term "gross vehicle weight" has the meaning given such term by § 145.4051-1(e)(3).
- (iii) . . .