

Worksheet

- 1. Enter 1.00 1.00
- 2. Enter the combined state and local tax rate as a decimal0825
- 3. Subtract line 2 from line 19175
- 4. Divide line 1 by line 3 and round the total to 4 decimal places
..... 1.0899
- 5. Enter the total taxable amount of the lease \$23,000
- 6. Multiply line 5 by the percentage on line 4 \$25,068
- 7. Multiply line 6 by the tax rate decimal on line 2 \$2,068

The amount on line 7 is the sales tax due if the lessor is not charging interest or a finance charge on the amount of the sales tax reimbursement it charges the lessee. If the lessor chooses to charge interest or a finance charge on the sales tax reimbursement, continue with line 8.

- 8. Enter the total amount of the interest or finance charge
the dealer will charge on the amount on line 7* \$ 197
- 9. Enter the amount from line 5..... \$23,000
- 10. Add lines 8 and 9 \$23,197
- 11. Enter the amount from line 4..... 1.0899
- 12. Multiply line 10 by line 11..... \$25,282
- 13. Multiply line 12 by the tax rate decimal on line 2 \$ 2,086

The amount on line 13 of the above worksheet is the sales tax due when interest or a finance charge is imposed on sales tax reimbursement the lessor charges to the lessee.

* (For example, the interest on a tax reimbursement of \$2,068 at 6% interest for 36 months would equal \$197.