

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.