

## Motor Vehicle Rental Tax Schedule of Additional Tax

Page \_\_\_\_\_ of \_\_\_\_\_

**This schedule must be submitted for each Virginia city, county, or town in which you rent vehicles. If you have one location only, do not submit this form.**

Please read the instructions on the back before preparing this schedule.

Name of Business	License Number	Report Month and Year
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ITEMS	FIRST LOCALITY	SECOND LOCALITY	THIRD LOCALITY	FOURTH LOCALITY	FIFTH LOCALITY	TOTALS
A. LOCATION OF BUSINESS STREET ADDRESS CITY, STATE ZIP CODE						ADD ALL COLUMNS ACROSS
B. <i>Check applicable box and write the code for the city, county, or town where business is located.</i>	<input type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Town	<input type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Town	<input type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Town	<input type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Town	<input type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Town	
1. Gross Proceeds						
2. Credit for Bad Debts						
3. Bad Debt Recovery						
4. Adjusted Gross Proceeds						
5. Governmental Rentals-Exemption						
6. Re-Rentals-Exemption						
7. Total Exemptions						
8. Net Taxable Proceeds						
9. Tax Liability						
10. Adjustments						
11. Adjusted Tax Liability						
12. Penalty on Late Returns						
13. Subtotal						
14. Interest						
15. Total Liability - Additional Tax						

**GRAND  
TOTAL**

## INSTRUCTIONS

RT 424 (01/10/05)

Use a separate column for each Virginia address at which a rental vehicle was delivered.

For each line, add together the figures in each column and write the sum in the *TOTALS* column. Transfer the line totals to *Column B* on the *Motor Vehicle Rental Tax Return (RT420)*.

If you are submitting more than one *Motor Vehicle Rental Tax Schedule of Additional Tax*, for each line add together the figures in the *TOTALS* columns and write the sum in *Column B* on the *Motor Vehicle Rental Tax Return (RT420)*.

Line A Enter the street address, city, state, zip code for each location generating rental revenue.

Line B Check the applicable box to indicate if the business location is in a city, county, or town. Write the code for that locality.

1. Gross Proceeds - Enter the gross rental proceeds.
2. Credit for Bad Debts - Enter the total amount of bad debts on rental transactions charged off as worthless for federal income tax purposes.
3. Bad Debt Recovery - Enter the amount bad debt reported a on pervious return (Line 2) that was subsequently collected during the current reporting period.
4. Adjusted Gross Proceeds - Enter the results of the following calculation:  
*Line 1 plus Line 3 minus Line 2.*
5. Government Rentals Exemption - Enter the portion of your gross proceeds from rentals to any of the following:
  - Federal Government or any of its agencies,
  - State of Virginia or any Virginia town, city, or county,
  - volunteer fire department or rescue squad operated in Virginia as non-profit.
6. Re-Rentals Exemption - Enter your gross proceeds received from rentals to another licensed renter for the purpose of re-rental.
7. Total Exemptions - Enter the results of the following calculation:  
*Line 5 plus Line 6.*

8. Net Taxable Proceeds - Enter the results of the following calculation:  
*Line 4 minus Line 7.*

9. Tax Liability - Enter the results of the following calculation:  
*Line 8 multiplied by 4% (.04)*

10. Adjustments - Enter the amount of any credit or tax due from a previous reporting period.

Note: Enter credits as a negative number. Enter taxes due as a positive number.

11. Adjusted Tax Liability - Enter the *sum or difference (whichever is applicable) of Line 9 plus or minus Line 10.*

12. Penalty (if required) - Determine the amount to enter as follows:  
(a) If the figure on Line 11 is \$100 or less, enter \$10.

(b) If the figure on Line 11 is more than \$100, enter 10% of Line 11.

13. Subtotal - Enter the sum of *Line 11 plus Line 12.*

14. Interest (if required) - Enter the result of the following calculation:  
*number of months late filing times 1½% (.015) times the amount on line 13*

15. Total Liability - Enter the sum of *Line 13 plus Line 14.*

Note: The Grand Total of all schedules you submit must equal the amount on Line 16 Column B on your Motor Vehicle Rental Tax Return (RT420).

**Attach *Schedule of Additional Tax* to the Motor Vehicle Tax Return (RT 420)**

Mailing Address  
Department of Motor Vehicles  
Rental Tax  
P.O. Box 27422  
Richmond, Virginia 23261-7422

If you have questions or need help completing this schedule, contact a Rental Tax Representative at:

(804) 367-4324 (voice)

(804) 367-0233 (fax)

(800) 272-9268 (deaf and hearing impaired)

www.dmvnow.com (web)