



Driver and Vehicle Services Update Bulletin

Josh Shapiro, Governor

Mike Carroll, Secretary

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Pennsylvania Sales and Use Tax Collection for Salvage Vehicles

The Pennsylvania Department of Transportation (PennDOT) reviewed the imposition of sales and use tax on salvage vehicles, including the responsibilities of sellers and purchasers of salvage vehicles in the Commonwealth.

Effective June 1, 2025, PennDOT is discontinuing the collection of sales tax for all salvage certificate transactions. All PennDOT authorized Agents are not to collect sales tax at the time ownership of a salvage vehicle is being transferred from one individual or business entity to another or for processing a vehicle to a salvage certificate.

A vehicle that is branded as salvage, and a salvage certificate is issued, is a sale of tangible personal property. Moving forward, the Department of Revenue will collect sales tax on any appropriate salvage vehicle transaction.

Please share this information with the appropriate members of your staff.

Agents are required to ensure all their employees receive PennDOT's Driver and Vehicle Services update bulletins. This bulletin may be downloaded by visiting the Driver and Vehicle Services website at

www.pa.gov/dmv