



301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

SC INFORMATION LETTER #90-1

TO: Vicki Jinnette  
Public Information Director

FROM: Jerry B. Knight, Manager  
Tax Policy and Appeals Department

DATE: January 10, 1989

SUBJECT: Sales of Motor Vehicles, Trailer, Semi-trailers and Pole Trailers to Residents of Arkansas  
(Amendment to SC Information Letters #88-17 #88-21)  
(Sales Tax)

REFERENCE: S.C. Code Ann. Section 12-35-555 (Supp. 1988)  
SC Information Letter #88-17  
SC Information Letter #88-21

AUTHORITY: S.C. Code Ann. Section 12-3-140 (1976)  
SC Revenue Procedure #87-3

SCOPE: An Information Letter is a temporary document issued for the purpose of disseminating general tax information and to respond to technical questions from within the Commission which are not related to a specific set of facts.

Effective November 3, 1989, sales of motor vehicles, trailers, semitrailers and pole trailers, in South Carolina, to residents of the State of Arkansas will no longer be subject to the South Carolina sales tax.

The purchaser still must complete a notarized statement of his or her intent to license the vehicle in Arkansas within ten days of the date of purchase.

The reason for this change, which amends SC Information Letters #88-17 and #88-21, is that the State of Arkansas no longer allows a credit against its tax for sales tax paid to another state on sales of motor vehicles and trailers. Under Code Section 12-35-555, South Carolina imposes a sales tax on sales of motor vehicles in the purchaser's state of residences, except where the nonresident purchaser "will not receive credit in his state of residence for any sales tax paid to the State of South Carolina...". Since Arkansas will not allow the credit, effective November 3, 1989, the South Carolina sales tax is not due on sales of motor vehicles and trailers to residents of Arkansas.