



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
300A Outlet Pointe Blvd., Columbia, South Carolina 29210
P.O. Box 125, Columbia, South Carolina 29214-0575

SC INFORMATION LETTER #25-5

SUBJECT: South Carolina Infrastructure and Economic Development Reform Act

EFFECTIVE DATE: May 10, 2021, for IMF Titling and Lessee Issues; July 1, 2022, for Sales and Use Tax and Casual Excise Tax Issues Involving Boat Motors; April 26, 2023, for Motor Vehicles; and July 1, 2017, for All Other Issues Except as Noted for Mopeds

SUPERSEDES: SC Information Letter #22-17 and all previous advisory opinions and any oral directives in conflict herewith.

REFERENCE: S.C. Code Ann. Section 56-1-10 (Supp. 2023)
S.C. Code Ann. Section 56-3-20 (Supp. 2023)
S.C. Code Ann. Section 56-3-130 (Supp. 2023)
S.C. Code Ann. Section 56-3-627 (Supp. 2023)
Chapter 36 of Title 12 (Supp. 2023)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (2014)
SC Revenue Procedure #09-3

SCOPE: An Information Letter is a written statement issued to the public to announce general information useful in complying with the laws administered by the Department. An Information Letter has no precedential value.

PURPOSE

The purpose of this Information Letter is to update South Carolina Department of Revenue's (SCDOR's) guidance provided in S.C. Information Letter #22-17 concerning boat trailers under 2,500 pounds, farm trailers, and other utility trailers to reflect the policy revisions in S.C. Revenue Ruling #25-2.¹ Specifically, the following trailers, if they belong to a "person", as defined in

¹ Previously, SCDOR advised the following regarding the sale of "boat trailers," "farm trailers," and "utility trailers": 1) such trailers purchased for "Personal Use" were subject to sales/use tax when purchased from a licensed retailer, and 2) such trailers purchased for "Business Use" are subject to the IMF and exempt from sales/use tax per Code § 12-36-2120(83).

Section 56-1-10(22) of the South Carolina Code, and are not used to transport persons or property for a consideration are subject to state and local sales or use tax, rather than the Infrastructure Maintenance Fee (“IMF”):

- boat trailers under twenty-five hundred pounds;
- trailers, as defined in Code Section 56-3-20(13), used substantially in the planting, cultivating, or harvesting of farm crops for sale in their original state of production; and
- trailers, as defined in Code Section 56-3-20(13) that are not recreational vehicles, fire safety education trailers, horse trailers, or boat trailers.

OVERVIEW OF NEW INFRASTRUCTURE MAINTENANCE FEE

In 2017, the General Assembly enacted the South Carolina Infrastructure and Economic Development Reform Act to address the needs of South Carolina’s transportation infrastructure system and to set the state on the path towards a first-class road network.² As part of its effort to improve the state’s transportation infrastructure network, the General Assembly imposed the IMF, which became effective July 1, 2017.

In 2021, the General Assembly amended Code Section 56-3-627, effective May 10, 2021, to also impose the IMF on the first titling of each vehicle, trailer, semitrailer, or other item required to be registered pursuant to Chapter 3 of Title 56. Previously, the IMF only applied to the first registration of a vehicle, trailer, semitrailer, or other item with South Carolina Department of Motor Vehicles (“SCDMV”). The General Assembly also amended IMF statute to apply, in addition to an owner, to a lessee first titling or registering a vehicle, trailer, semitrailer, or other item with SCDMV.

In 2022, the General Assembly amended Code Section 12-36-2110(A), effective July 1, 2022, subjecting watercraft motors (e.g., boat motors) to a maximum sales and use tax and maximum casual excise tax. Sales of watercraft motors are subject to the sales and use tax and the casual excise tax at a rate of 5%, but no more than \$500. With this amendment, sales of watercraft motors are exempt from all local sales and use taxes administered and collected by SCDOR.

Registration in South Carolina upon Purchase or Lease: The owner or lessee of each vehicle, trailer, semitrailer, or other item required to be registered pursuant to Chapter 3 of Title 56 must pay the IMF upon first titling or registering the vehicle, trailer, semitrailer, or other item with SCDMV. The IMF is remitted to SCDMV and is imposed at a rate of 5% of the gross proceeds of the sale, not to exceed \$500, for a sale by a licensed SCDMV dealer or 5% of the vehicle’s fair market value, not to exceed \$500, for a sale by a person who is not a SCDMV licensed dealer.

Sales subject to the IMF are exempt from the state and local sales and use taxes.

If a dealer has a South Carolina retail license or offers to license, title, or register the item, then the dealer must collect the IMF and remit it to SCDMV. Generally, based on information from

² See Act No. 40 of 2017.

SCDMV, a dealer is a person in the business of selling motor vehicles (e.g., cars, trucks, motorcycles, and motor homes) that is licensed with SCDMV. A dealer also includes, a person licensed with SCDMV in the business of selling mopeds.

Registration in South Carolina after First Registration in Another State: When a vehicle, trailer, semi-trailer, or other item required to be registered under Chapter 3 of Title 56 was first registered in another state by the owner and is subsequently registered for the first time in South Carolina by the same owner, payment of the IMF is required. Under these circumstances the IMF rate is \$250.

CHARTS FOR DEALERS, OTHER RETAILERS, AND NONRETAILERS

SCDOR, in coordination with SCDMV, is updating the charts issued in S.C. Information Letter #22-17 to assist dealers and other retailers in determining: (1) whether the sale is subject to the IMF or the sales and use tax; (2) whether to remit the IMF to SCDMV or remit the sales and use tax on sales to nonresidents to SCDMV or SCDOR; and (3) the rate of the IMF or the sales and use tax.

Attached are the three updated charts that address the following categories of sales, with each chart providing information concerning the type of vehicle, the fee or tax that applies to the transaction, the fee or tax rate, and the maximum fee or tax (if applicable):

- Chart 1: Motor Vehicles and Other Items Purchased and Registered or Titled in South Carolina by a South Carolina Resident and Other Items Purchased by a South Carolina Resident
- Chart 2: Motor Vehicles and Other Items Purchased in South Carolina by a Nonresident to be Registered, Titled, or Used Outside of South Carolina
- Chart 3: Motor Vehicles and Other Items Previously Registered Outside of South Carolina

Chart 1 and Chart 2 address three types of transactions – (1) purchases from licensed SCDOR retailers who are also licensed SCDMV dealers (e.g., a motor vehicle dealership); (2) purchases from licensed SCDOR retailers who are not licensed SCDMV dealers (e.g., a retailer selling motor vehicles from its delivery fleet); and (3) purchases from nonretailers (e.g., a casual sale by an individual).

GENERAL SUMMARY

While these charts provide information about many different types of vehicles and other items, it is not an all-inclusive list of transactions. The application of the IMF or the sales and use tax can generally be summarized as follows (unless the transaction is otherwise exempt):

General Rule

- If the vehicle is required to be registered and is registered or titled with SCDMV, the IMF applies and is remitted to SCDMV.

- If the vehicle is of a type that is not required to be registered or titled with SCDMV, then the sales tax would apply and is remitted to SCDOR (e.g., a utility trailer that belongs to a person and is not used to transport persons or property for consideration).

Sales to Nonresidents

- Vehicles that would be required to be registered in South Carolina and therefore, subject to the maximum tax provisions in Code Section 12-36-2110(A)(1) are subject to sales tax when they are sold to a nonresident who must register the vehicle in his home state. If the vehicle is sold by a SCDMV licensed dealer, the nonresident must remit the sales tax to SCDMV. If the vehicle is sold by a person who is not a licensed SCDMV dealer, the sales tax is remitted to SCDOR.

However, based on Code Sections 12-36-930 and 12-36-2120, the sales tax is not due if (1) the purchaser's state of residence does not impose a sales tax on motor vehicles, trailers, semitrailers, or pole trailers, (2) the purchaser's state of residence does not allow a credit against his use tax for sales tax paid on such items in South Carolina, or (3) the sale is otherwise exempt from the sales tax.

- If the vehicle is not subject to the maximum tax provisions of Code Section 12-36-2110(A)(1) and is sold to a nonresident who will register it in his home state, then the sales tax applies, and it is remitted to SCDOR.

Casual Excise Tax

- The casual excise tax no longer applies to motor vehicles and motorcycles. The casual excise tax only applies to aircraft, boats, and boat motors. The IMF, however, is paid at the time of registration.

The attached charts provide the applicable rate for the IMF or the sales and use tax for each of the above scenarios and also provide general information, including information on exemptions for active duty military members.

ADDITIONAL INFORMATION

If you have questions regarding the IMF remitted to SCDMV, or sales taxes remitted by licensed SCDMV dealers to SCDMV on sales to nonresidents, please contact SCDMV at cartaxes@scdmv.net.

If you have questions regarding all other sales and use tax matters, please contact SCDOR at (803) 898-5000 or salestax@dor.sc.gov.

**ITEMS SUBJECT TO SALES/USE TAX
OR INFRASTRUCTURE MAINTENANCE FEE (IMF)
EFFECTIVE MAY 10, 2021, FOR IMF Titling/Lessee Issues
Effective July 1, 2022, for Boat Motor Sales Tax Issues
Effective April 26, 2023, for Motor Vehicles, Motorcycles, Recreational Vehicles,
and Self-Propelled Light Construction Equipment
Effective July 1, 2017, for All Other Issues, Except as Noted for Mopeds**

CHART 1: MOTOR VEHICLES AND OTHER ITEMS PURCHASED AND TITLED OR REGISTERED IN SOUTH CAROLINA BY A SOUTH CAROLINA RESIDENT AND OTHER ITEMS PURCHASED BY A SOUTH CAROLINA RESIDENT			
ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (A person not in the business of selling tangible personal property at retail - e.g., a casual sale by an individual)
Motor Vehicle (Including Low Speed Vehicles & State/County/Local Government Vehicles with a plate class of SG, CG, MG, or RG) (Maximum Sales Tax Item)	IMF Remitted by Dealer to DMV 5% up to \$500	No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83) No IMF Collected by Retailer IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)	No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500
Motorcycle (Maximum Sales Tax Item)	IMF Remitted by Dealer to DMV 5% up to \$500	No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83) No IMF Collected by Retailer IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)	No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500
US Government Vehicle	Exempt	Exempt (See S.C. Code § 12-36-2120(2))	

CHART 1:

MOTOR VEHICLES AND OTHER ITEMS PURCHASED AND TITLED OR REGISTERED IN SOUTH CAROLINA BY A SOUTH CAROLINA RESIDENT AND OTHER ITEMS PURCHASED BY A SOUTH CAROLINA RESIDENT

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (A person not in the business of selling tangible personal property at retail - e.g., a casual sale by an individual)
<p align="center">Motor Homes (Maximum Sales Tax Item)</p>	<p align="center">IMF Remitted by Dealer to DMV 5% up to \$500</p>	<p align="center">No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83)</p> <p align="center">No IMF Collected by Retailer</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)</p>	<p align="center">No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500</p>
<p align="center">Moped (Purchased on or after November 19, 2018 – See 2017 S.C. Acts 89) (Maximum Sales Tax Item)</p>	<p align="center">IMF Remitted by Dealer to DMV 5% up to \$500</p>	<p align="center">No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83)</p> <p align="center">No IMF Collected by Retailer</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)</p>	<p align="center">No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500</p>

CHART 1:

MOTOR VEHICLES AND OTHER ITEMS PURCHASED AND TITLED OR REGISTERED IN SOUTH CAROLINA BY A SOUTH CAROLINA RESIDENT AND OTHER ITEMS PURCHASED BY A SOUTH CAROLINA RESIDENT

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (A person not in the business of selling tangible personal property at retail - e.g., a casual sale by an individual)
Trailer or Semitrailer, Pulled by a Truck Tractor (Maximum Sales Tax Item)	<p align="center">No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83)</p> <p align="center">No IMF Collected by Retailer</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)</p>		<p align="center">No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500</p>
Pole Trailer	<p align="center">No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83)</p> <p align="center">No IMF Collected by Retailer</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)</p>		<p align="center">No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500</p>
Boat Trailers under 2,500 pounds, Farm Trailers, and Utility Trailers - Not Privately Owned and For Hire	<p align="center">No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83) or S.C. Code § 12-36-2120(16)</p> <p align="center">No IMF Collected by Retailer</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)</p>		<p align="center">No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller</p> <p align="center">IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500</p>

CHART 1:

MOTOR VEHICLES AND OTHER ITEMS PURCHASED AND TITLED OR REGISTERED IN SOUTH CAROLINA BY A SOUTH CAROLINA RESIDENT AND OTHER ITEMS PURCHASED BY A SOUTH CAROLINA RESIDENT

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (A person not in the business of selling tangible personal property at retail - e.g., a casual sale by an individual)
Boat Trailers under 2,500 pounds, Farm Trailers, and Utility Trailers - Privately Owned and Not For Hire	Sales Tax Remitted by Retailer to DOR 6% + Local (Unless Exempt Under S.C. Code §12-36-2120(16))		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Boat Trailers under 2,500 pounds, Farm Trailers, and Utility Trailers - Not Privately Owned and Not For Hire	No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83) or S.C. Code § 12-36-2120(16) No IMF Collected by Retailer IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)		No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500
Boat Trailers under 2,500 pounds, Farm Trailers, and Utility Trailers - Privately Owned and For Hire	No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83) or S.C. Code § 12-36-2120(16) No IMF Collected by Retailer IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)		No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500

CHART 1:

MOTOR VEHICLES AND OTHER ITEMS PURCHASED AND TITLED OR REGISTERED IN SOUTH CAROLINA BY A SOUTH CAROLINA RESIDENT AND OTHER ITEMS PURCHASED BY A SOUTH CAROLINA RESIDENT

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (A person not in the business of selling tangible personal property at retail - e.g., a casual sale by an individual)
Horse Trailer (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Recreational Vehicles Pulled by a Motor Vehicle (Tent Campers, Travel Trailers, Park Models, Park Trailers, and Fifth Wheels) (Maximum Sales Tax Item)	No Sales Tax Due Since Transaction is Exempt Under S.C. Code § 12-36-2120(83) or S.C. Code § 12-36-2120(16) No IMF Collected by Retailer IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500 (However, if Payment of a Sales Tax can be Documented, No IMF is Due)		No Sales Tax or Casual Excise Tax Due on Transaction and No IMF Collected by Seller IMF Remitted by Buyer to DMV Upon Registration 5% up to \$500
Dirt Bikes (Off Road) (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Aircraft (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax Collected by Seller No Casual Excise Tax Due (Casual Excise Tax Only Applies to Airplanes; and Airplanes are Not Registered, Titled, or Licensed by South Carolina)
Boat or Boat with Motor Permanently Attached At Time of Sales (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax Collected by Seller Buyer Remits Casual Excise Tax to DOR or DNR Upon Issuance of Certificate of Title, or Other Proof of Ownership 5% up to \$500

MOTOR VEHICLES AND OTHER ITEMS PURCHASED AND TITLED OR REGISTERED IN SOUTH CAROLINA BY A SOUTH CAROLINA RESIDENT AND OTHER ITEMS PURCHASED BY A SOUTH CAROLINA RESIDENT			
CHART 1:			
ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (A person not in the business of selling tangible personal property at retail - e.g., a casual sale by an individual)
Boat Motor (Not permanently attached to boat at time of sale) (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax Collected by Seller Buyer Remits Casual Excise Tax to DOR or DNR Upon Issuance of Certificate of Title, or Other Proof of Ownership 5% up to \$500
Golf Carts, ATVs, and Go-Carts (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Professional Race Cars Towed to or from a Race Track (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Single Family Modular Home (Ch. 43, Title 23)	Sales Tax Remitted by Retailer to DOR 6% + Local		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Musical Instrument/Office Equipment Purchased by IRC § 501(c)(3) Religious Organization (Maximum Sales Tax Intern)	Sales Tax Remitted by Retailer to DOR 5% up to \$300 (See S.C. Code § 12-36-2110(C))		No Sales or Casual Excise Tax Due on Transaction
Manufactured Home (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR (See S.C. Code § 12-36-2110(B))		No Sales or Casual Excise Tax Due on Transaction

(See General Information for Chart 1 on the Following Page)

CHART 1 GENERAL INFORMATION

Maximum Tax Items (5% up to \$500) under S.C. Code § 12-36-2110(A)s

- Motor Vehicle¹
- Motorcycle
- Trailer or Semitrailer, capable of being pulled only by a truck tractor
- Recreational Vehicles including Tent Campers, Travel Trailers, Park Models, Park Trailers, Motor Homes, and Fifth Wheels
- Horse Trailer
- Livestock trailer
- Fire Safety Education Trailer
- Self-Propelled Light Construction equipment with compatible attachments limited to a maximum of 160 net engine horsepower
- Boat; Boat Motor
- Aircraft, including unassembled aircraft to be assembled by the purchaser, but not items to be added to the unassembled aircraft

Sales and Use Tax Exemptions

Chart 1 provides the tax rate for various sales and use tax transactions. Notwithstanding the above, some sales may be exempt under S.C. Code § 12-36-2120 (e.g., farm trailers used in planting, cultivating, and harvesting of farm crops).

Purchases by Nonresidents for First Registration or Use in South Carolina

Chart 1 concerns motor vehicles and other items purchased and registered in South Carolina by South Carolina residents. However, Chart 1 also applies to motor vehicles and other items purchased by nonresidents first registered in South Carolina with the South Carolina Department of Motor Vehicles (i.e., subject to the Infrastructure Maintenance Fee) or are purchased by nonresidents for use in South Carolina (sales or use tax), unless otherwise exempt.

Out-of-State - Delivery by a Retailer or by a Common Carrier on Behalf of a Retailer

Notwithstanding the above, a sale is exempt from state and local sales and use tax if the seller, by contract of sale, is obligated either (1) to deliver the item to the buyer (or an agent or donee of the buyer) at a point outside of South Carolina or (2) to deliver the item to a common carrier or the U.S. mail for transportation to the buyer (or an agent or donee of the buyer) at a point outside of South Carolina. See S.C. Code § 12-36-2120(36).

Active Duty Military Members

See Chart 2 and 3 for information on the taxes and fees imposed on active duty military members, if any.

¹ “Motor vehicle” includes all-terrain vehicles (ATVs), utility task vehicles (UTVs), golf carts, and legend race cars. See S.C. Revenue Ruling #23-3.

**ITEMS SUBJECT TO SALES/USE TAX
OR INFRASTRUCTURE MAINTENANCE FEE (IMF)
-Effective July 1, 2017-**

CHART 2: MOTOR VEHICLES AND OTHER ITEMS PURCHASED IN SOUTH CAROLINA BY A NONRESIDENT TO BE TITLED OR REGISTERED OR USED OUTSIDE OF SOUTH CAROLINA			
ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (e.g., a casual sale by an individual)
Motor Vehicle (Maximum Sales Tax Item)	<p>Sales Tax Remitted by Dealer to DMV</p> <p>Lesser of sales tax imposed in the Purchaser's state of residence or 5% sales tax, but no more than \$500</p> <p>See Notes 1 and 2 for exceptions</p>	<p>Sales Tax Remitted by Dealer to DOR</p> <p>Lesser of sales tax imposed in the Purchaser's state of residence or 5% sales tax, but no more than \$500</p> <p>See Note 1 for exceptions</p>	No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Motor Homes (Maximum Sales Tax Item)	<p>Sales Tax Remitted by Dealer to DMV</p> <p>Lesser of sales tax imposed in the Purchaser's state of residence or 5% sales tax, but no more than \$500</p> <p>See Notes 1 and 2 for exceptions</p>	<p>Sales Tax Remitted by Dealer to DOR</p> <p>Lesser of sales tax imposed in the Purchaser's state of residence or 5% sales tax, but no more than \$500</p> <p>See Note 1 for exceptions</p>	No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Motorcycle (Maximum Sales Tax Item)	<p>Sales Tax Remitted by Dealer to DMV</p> <p>Lesser of sales tax imposed in the Purchaser's state of residence or 5% sales tax, but no more than \$500</p> <p>See Notes 1 and 2 for exceptions</p>	<p>Sales Tax Remitted by Dealer to DOR</p> <p>Lesser of sales tax imposed in the Purchaser's state of residence or 5% sales tax, but no more than \$500</p> <p>See Note 1 for exceptions</p>	No Sales Tax, Casual Excise Tax, or IMF Due on Transaction

CHART 2:

**MOTOR VEHICLES AND OTHER ITEMS PURCHASED IN
SOUTH CAROLINA BY A NONRESIDENT TO BE TITLED OR
REGISTERED OR USED OUTSIDE OF SOUTH CAROLINA**

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (e.g., a casual sale by an individual)
Dirt Bikes (Off Road) (Maximum Sales Tax Item) (Not of a Type Subject to Registration under S.C. Code § 56-3-627)	Sales Tax Remitted by Dealer to DOR 5% up to \$500		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Moped (Purchased on or after November 19, 2018 – See 2017 Act No. 89) (Maximum Sales Tax Item)	Sales Tax Remitted by Dealer to DMV Lesser of sales tax imposed in the purchaser’s state of residence or 5% sales tax, but no more than \$500 See Notes 1 and 2 for exceptions	Sales Tax Remitted by Dealer to DOR Lesser of sales tax imposed in the Purchaser’s state of residence or 5% sales tax, but no more than \$500 See Note 1 for exceptions	No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Recreational Vehicles Pulled by a Motor Vehicle (Tent Campers, Travel Trailers, Park Models, Park Trailers, and Fifth Wheels) (Maximum Sales Tax Item)	Sales Tax Remitted by Dealer to DOR Lesser of sales tax imposed in the Purchaser’s state of residence or 5% sales tax, but no more than \$500 See Note 1 for exceptions		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Trailer or Semitrailer of a Type Required to be Licensed and Registered (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR Lesser of sales tax imposed in the purchaser’s state of residence or 5% sales tax, but no more than \$500 See Notes 1 and 2 for exemptions		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction

CHART 2: MOTOR VEHICLES AND OTHER ITEMS PURCHASED IN SOUTH CAROLINA BY A NONRESIDENT TO BE TITLED OR REGISTERED OR USED OUTSIDE OF SOUTH CAROLINA

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (e.g., a casual sale by an individual)
Trailer or Semitrailer of a Type Required to be Licensed and Registered (Maximum Sales Tax Item)	<p align="center">Sales Tax Remitted by Retailer to DOR</p> <p align="center">Lesser of sales tax imposed in the purchaser's state of residence or 5% sales tax, but no more than \$500</p> <p align="center">See Notes 1 and 2 for exemptions</p>		<p align="center">No Sales Tax, Casual Excise Tax, or IMF Due on Transaction</p>
Trailer, Semitrailer, or Pole Trailer of a Type Required to be Licensed and Registered (Not a Maximum Sales Tax Item)	<p align="center">Sales Tax Remitted by Retailer to DOR</p> <p align="center">Lesser of sales tax imposed in the purchaser's state of residence or 6% + Local</p> <p align="center">See Notes 1 and 2 for exemptions</p>		<p align="center">No Sales Tax, Casual Excise Tax, or IMF Due on Transaction</p>
Trailer or Semitrailer of a Type Not Required to be Licensed and Registered (Maximum Sales Tax Item)	<p align="center">Sales Tax Remitted by Retailer to DOR</p> <p align="center">5% up to \$500</p>		<p align="center">No Sales Tax, Casual Excise Tax, or IMF Due on Transaction</p>
Trailer or Semitrailer of a Type Not Required to be Licensed and Registered (Not a Maximum Sales Tax Item)	<p align="center">Sales Tax Remitted by Retailer to DOR</p> <p align="center">6% + Local</p>		<p align="center">No Sales Tax, Casual Excise Tax, or IMF Due on Transaction</p>

CHART 2:

**MOTOR VEHICLES AND OTHER ITEMS PURCHASED IN
SOUTH CAROLINA BY A NONRESIDENT TO BE TITLED OR
REGISTERED OR USED OUTSIDE OF SOUTH CAROLINA**

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (e.g., a casual sale by an individual)
Boat Trailers under 2,500 pounds	<p align="center">Sales Tax Remitted by Retailer to DOR</p> <p align="center">Lesser of sales tax imposed in the purchaser's state of residence or 6% + Local</p> <p align="center">See Notes 1 and 2 for exemptions</p>		<p align="center">No Sales Tax, Casual Excise Tax, or IMF Due on Transaction</p>
Utility Trailers	<p align="center">Sales Tax Remitted by Retailer to DOR</p> <p align="center">Lesser of sales tax imposed in the purchaser's state of residence or 6% + Local</p> <p align="center">See Notes 1 and 2 for exemptions</p>		<p align="center">No Sales Tax, Casual Excise Tax, or IMF Due on Transaction</p>
Farm Trailers	<p align="center">Sales Tax Remitted by Retailer to DOR</p> <p align="center">Lesser of sales tax imposed in the purchaser's state of residence or 6% + Local</p> <p align="center">See Notes 1 and 2 for exemptions</p>		<p align="center">No Sales Tax, Casual Excise Tax, or IMF Due on Transaction</p>

CHART 2:

**MOTOR VEHICLES AND OTHER ITEMS PURCHASED IN
SOUTH CAROLINA BY A NONRESIDENT TO BE TITLED OR
REGISTERED OR USED OUTSIDE OF SOUTH CAROLINA**

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (e.g., a casual sale by an individual)
<p><i>Nonresident Military</i> Motor Vehicles (excluding trucks) and Motorcycles Purchased by a Non-Resident Member of the Military Located in South Carolina by Reason of Orders of the US Armed Forces (e.g., car, minivan, SUV, motorcycle) (Personal Use Only)</p>	<p align="center">No IMF or Sales Tax Remitted on Transaction</p> <p align="center">Exempt under S.C. Code §§ 12-36-2120(25) & 56-3-627(H) regardless of state of registration</p>		<p align="center">No Sales Tax, Casual Excise Tax, or IMF Due on Transaction</p>
<p><i>Nonresident Military and Spouse</i> Motor Vehicles (<u>including trucks</u>), Motorcycles, Trailers and Semitrailers Purchased by a Non-Resident Member of the Military (<u>including Spouse</u>) Located in South Carolina by Reason of Orders of the US Armed Forces (e.g., car, motor home, recreational trailer, truck, minivan, SUV, motorcycle) (Personal Use Only)</p>	<p align="center">No IMF or Sales Tax Remitted on Transaction if the license, fee, or excise is paid by the servicemember in the servicemember’s state of domicile or residence.</p> <p align="center">Exempt Under Servicemember Civil Relief Act See §§ 3911 (Definitions), 4001 (Exemption for Personal Property), and 49 U.S. Code § 30102 (Definition of Motor Vehicle)</p>		<p align="center">No Sales Tax, Casual Excise Tax, or IMF Due on Transaction</p> <p align="center">No IMF due on Transaction if The license, fee, or Excise is paid by the Servicemember in the Servicemember’s State of Domicile or residence.</p>
<p align="center">Aircraft (Maximum Sales Tax Item)</p>	<p align="center">Sales Tax Remitted by Retailer to DOR 5% up to \$500</p>		<p align="center">No Sales Tax or IMF Due on Transaction</p> <p align="center">No Casual Excise Tax Due (Casual Excise Tax Only Applies to Airplanes, and Airplanes are Not Registered, Titled, or Licensed by South Carolina)</p>

CHART 2: MOTOR VEHICLES AND OTHER ITEMS PURCHASED IN SOUTH CAROLINA BY A NONRESIDENT TO BE TITLED OR REGISTERED OR USED OUTSIDE OF SOUTH CAROLINA RESIDENT

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (e.g., a casual sale by an individual)
Boat or Boat with Motor Permanently Attached At Time of Sale (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax or IMF Due on Transaction No Casual Excise Tax Due Unless Buyer Obtains a Certificate of Title or Other Proof of Ownership in South Carolina (if Casual Excise Tax Applies, 5% up to \$500)
Boat Motor (Not permanently attached to boat at time of sale) (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax or IMF Due on Transaction No Casual Excise Tax Due Unless Buyer Obtains a Certificate of Title or Other Proof of Ownership in South Carolina (if Casual Excise Tax Applies, 5% up to \$500)

CHART 2:

**MOTOR VEHICLES AND OTHER ITEMS PURCHASED IN
SOUTH CAROLINA BY A NONRESIDENT TO BE TITLED OR
REGISTERED OR USED OUTSIDE OF SOUTH CAROLINA RESIDENT**

ITEM PURCHASED	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS A LICENSED DEALER WITH SCDMV	PURCHASED FROM A LICENSED RETAILER WITH SCDOR WHO IS NOT A LICENSED DEALER WITH SCDMV	PURCHASED FROM A NONRETAILER (e.g., a casual sale by an individual)
Golf Carts, ATVs, and Go Carts (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$500		No Sales Tax or IMF Due on Transaction No Casual Excise Tax Due Unless Buyer Obtains a Certificate of Title or Other Proof of Ownership in South Carolina (if Casual Excise Tax Applies, 5% up to \$500)
Moped (Purchased prior to November 19, 2018)	Sales Tax Remitted by Retailer to DOR 6% + Local		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Musical Instrument/Office Equipment Purchased by IRC § 501(c)(3) Religious Organization (Maximum Sales Tax Item)	Sales Tax Remitted by Retailer to DOR 5% up to \$300 See S.C. Code § 12-36-2110(C)		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction
Manufactured Home (Maximum Sales Tax Items)	Sales Tax Remitted by Retailer to DOR See S.C. Code § 12-36-2110(B)		No Sales Tax, Casual Excise Tax, or IMF Due on Transaction

(See General Information and Notes for Chart 2 on the Following Pages)

CHART 2 GENERAL INFORMATION

Maximum Tax Items (5% up to \$500) under S.C. Code § 12-36-2110(A)

- Motor Vehicle²
- Motorcycle
- Trailer or Semitrailer, capable of being pulled only by a truck tractor
- Recreational Vehicles including Tent Campers, Travel Trailers, Park Models, Park Trailers, Motor Homes, and Fifth Wheels
- Horse Trailer
- Livestock trailer
- Fire Safety Education Trailer
- Self-Propelled Light Construction equipment with compatible attachments limited to a maximum of 160 net engine horsepower
- Boat; Boat Motor
- Aircraft, including unassembled aircraft to be assembled by the purchaser, but not items to be added to the unassembled aircraft

Sales and Use Tax Exemptions

Notwithstanding the above, some sales may be exempt under S.C. Code § 12-36-2120 (e.g., farm trailers used in planting, cultivating, and harvesting of farm crops - S.C. Code § 12-36-2120(16)) and therefore not subject to the tax.

Purchases by Nonresidents for First Registration or Use in South Carolina

Chart 1 concerns motor vehicles and other items that are purchased and registered in South Carolina by South Carolina residents. However, Chart 1 also applies to motor vehicles and other items purchased by nonresidents that are first registered in South Carolina with the SCDMV (i.e., subject to the Infrastructure Maintenance Fee) or are purchased by nonresidents for use in South Carolina (sales or use tax), unless otherwise exempt.

Information on Surrounding States

Certain surrounding states offer credit for any sales tax paid in South Carolina. To further assist, a list of the surrounding states' revenue and taxation departments are listed below:

² "Motor vehicle" includes all-terrain vehicles (ATVs), utility task vehicles (UTVs), golf carts, and legend race cars. See S.C. Revenue Ruling #23-3.

State	Website
Alabama	https://revenue.alabama.gov
Florida	https://floridarevenue.com
Georgia	https://dor.georgia.gov
North Carolina	https://www.ncdor.gov
Tennessee	https://www.tn.gov/revenue.html
Virginia	https://www.tax.virginia.gov/

Out-of-State - Delivery by a Retailer or by a Common Carrier on Behalf of a Retailer

Notwithstanding the above, a sale is exempt from state and local sales and use tax if the seller, by contract of sale, is obligated either (1) to deliver the item to the buyer (or an agent or donee of the buyer) at a point outside of South Carolina or (2) to deliver the item to a common carrier or the U.S. mail for transportation to the buyer (or an agent or donee of the buyer) at a point outside of South Carolina. See S.C. Code § 12-36-2120(36).

Active Duty Military Members

Resident Military Members: See Chart 1 for registration or purchases by military members who are residents of South Carolina.

Nonresident Military Members: See also Chart 1 and 3 for more information on the taxes and fees imposed on active duty military members, if any.

CHART 2 NOTES

Note 1: Purchases by Nonresidents for Registration in the Purchaser's State of Residence

Code Section 12-36-930 provides that the sales tax due on a sale to a nonresident of a motor vehicle, trailer, semitrailer, or pole trailer that is to be registered and licensed in the nonresident purchaser's state of residence, is the lesser of (1) the sales tax which would be imposed on the sale in the purchaser's state of residence or (2) the tax that would be imposed in South Carolina.

No sales tax is due in South Carolina if (1) a nonresident purchaser cannot receive a credit in his resident state for sales tax paid to South Carolina or (2) the nonresident's state does not impose a sales tax on the sale of a motor vehicle, trailer, semitrailer, or pole trailer.

Note 2: Out-of-State Delivery by a Retailer or by a Common Carrier on Behalf of a Retailer

Notwithstanding the above, a sale is exempt from state and local sales and use tax if the seller, by contract of sale, is obligated either (1) to deliver the item to the buyer (or an agent or donee of the buyer) at a point outside of South Carolina or (2) to deliver the item to a common carrier or the U.S. mail for transportation to the buyer (or an agent or donee of the buyer) at a point outside of South Carolina. See S.C. Code § 12-36-2120(36).

CHART 3:

MOTOR VEHICLES AND OTHER ITEMS PREVIOUSLY REGISTERED OUTSIDE OF SOUTH CAROLINA

<p>Item Previously Registered Outside of South Carolina</p>	<p>Infrastructure Maintenance Fee (IMF)</p>
<p>Vehicle Previously Registered Out-of-State by the Owner and Subsequently Registered in SC for the <u>first</u> time by the Same Owner</p>	<p>IMF Remitted by Owner to DMV \$250</p>
<p>Boat Trailers under 2,500 pounds, Farm Trailers, and Utility Trailers Previously Registered Out-of-State by the Owner and Subsequently Registered in SC for the first time by the Same Owner – Not Privately Owned and For Hire</p>	<p>IMF Remitted by Owner to DMV \$250</p>
<p>Boat Trailers under 2,500 pounds, Farm Trailers, and Utility Trailers Previously Registered Out-of-State by the Owner and Subsequently Registered in SC for the first time by the Same Owner – Privately Owned and Not For Hire</p>	<p>No IMF Due on Registration in South Carolina Exempt Under S.C. Code § 56-3-627(D)(1)</p>
<p>Boat Trailers under 2,500 pounds, Farm Trailers, and Utility Trailers Previously Registered Out-of-State by the Owner and Subsequently Registered in SC for the first time by the Same Owner – Not Privately Owned and Not For Hire</p>	<p>IMF Remitted by Owner to DMV \$250</p>

CHART 3:

MOTOR VEHICLES AND OTHER ITEMS PREVIOUSLY REGISTERED OUTSIDE OF SOUTH CAROLINA

<p>Item Previously Registered Outside of South Carolina</p>	<p>Infrastructure Maintenance Fee (IMF)</p>
<p>Boat Trailers under 2,500 pounds, Farm Trailers, and Utility Trailers Previously Registered Out-of-State by the Owner and Subsequently Registered in SC for the first time by the Same Owner –</p> <p>Not Privately Owned and Not For Hire</p>	<p>IMF Remitted by Owner to DMV \$250</p>
<p><i>Active Duty Military Member and Family (Resident or Nonresident):</i> Vehicle Previously Registered Out-of-State by Active Duty Military or Spouse/Dependent and Subsequently Registered for the <u>first</u> time in SC by Same Owner</p>	<p>No IMF Due on Registration in South Carolina</p> <p>Exempt Under S.C. Code § 56-3-627(D)(2)</p>