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SC INFORMATION LETTER #90-13

TO: Vicki Jinnette Ringer
Public Information Director

FROM: Deana West, Tax Analyst
Tax Policy and Procedures Department

DATE: June 18, 1990

SUBJECT: Sale of Motor Vehicles, Trailers, Semitrailers and Pole Trailers to Residents
of Nebraska
(Sales Tax)

REFERENCE: S. C. Code Ann. Section 12-35-555 (Supp. 1989)
SC Information Letter #90-7
SC Information Letter #90-8

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 July 10, 1990, sales of motor vehicles, trailers, semitrailers and pole trailers of a type to be registered and licensed to residents of Nebraska will be subject to South Carolina sales tax at the rate of 5%. For sales prior to July 10, 1990, the sales tax rate is 4%.

This change is the result of an increase in the Nebraska sales and use tax rate and is reflected in the attached charts, which revise those issued pursuant to SC Information Letters #90-7 and #90-8.

SALES OF TRAILERS, SEMITRAILERS AND POLE TRAILERS TO NONRESIDENTS
 (Code Section 12-35-555)
 EFFECTIVE JULY 10, 1990

Sales of trailers, semitrailers and pole trailers, of a type to be registered and licensed, to residents of the following states are not subject to the South Carolina sales tax.

Alaska	Iowa	Nevada	Oregon
Arkansas	Kentucky	New Hampshire	South Dakota
Delaware	Maryland	New Mexico	Vermont
District of Columbia	Minnesota	North Carolina	West Virginia
Indiana	Montana	Oklahoma	

Sales of trailers, semitrailers and pole trailers, of a type to be registered and licensed, to residents of the following states are subject to the South Carolina Sales Tax. The maximum tax on the sale of trailers or semitrailers pulled by a truck tractor is the lesser of 5% x (S-T) or \$300.00. The maximum tax on the sale of pole trailers, and trailers or semitrailers pulled by a vehicle other than a truck tractor, is 5% x (S-T).

<u>State</u>	<u>Rate(%)</u>	<u>Measure of Tax *</u>	<u>State</u>	<u>Rate(%)</u>	<u>Measure of Tax *</u>
Alabama	2.0	S-T	Missouri	4.425	S-T
Arizona	5.0	S-T	(1) Nebraska	5.0	S-T
California	5.0	S	New Jersey	6.0	S-T
Colorado	3.0	S-T	New York	4.0	S-T
Connecticut	8.0	S-T	North Dakota	6.0	S-T
Florida	6.0	S-T	Ohio	5.0	S-T
Georgia	4.0	S-T	Pennsylvania	6.0	S-T
Hawaii	4.0	S-T	Rhode Island	6.0	S-T
Idaho	5.0	S-T	Tennessee	5.5	S-T
Illinois	6.25	S-T	Texas	6.0	S-T
Kansas	4.25	S-T	Utah	5.09	S-T
Louisiana	4.0	S-T	Virginia	3.0	S
Maine	5.0	S	Washington	6.5	S-T
Massachusetts	5.0	S-T	Wisconsin	5.0	S-T
Michigan	4.0	S	Wyoming	3.0	S-T
(2) Mississippi	6.0/3.0	S-T			

* S = Sales Price T = Trade-in Allowance

(1) Effective July 10, 1990, Nebraska's sales tax rate increases from 4% to 5%.

(2) After July 1, 1988, sales of semitrailers are taxed at the rate of 3%. All other trailers are taxed at 6%.

(Revised 6/90)

SALES OF MOTOR VEHICLES TO NONRESIDENTS
(Code Section 12-35-555)

EFFECTIVE JULY 10, 1990

Sales of motor vehicles, as defined in Code Section 56-1-10, to residents of the following states are not subject to the South Carolina Sales Tax.

Alaska	Iowa	Montana	Oklahoma
Arkansas	Kentucky	Nevada	Oregon
Delaware	Maryland	New Hampshire	South Dakota
District of Columbia	Minnesota	New Mexico	West Virginia
Indiana	Mississippi	North Carolina	

Sales of motor vehicles, as defined in Code Section 56-1-10, to residents of the following states are subject to the South Carolina sales tax. The maximum tax on the sale of a motor vehicle is the lesser of 5% x (S-T) or \$300.00.

<u>State</u>	<u>Rate(%)</u>	<u>Measure of Tax *</u>	<u>State</u>	<u>Rate(%)</u>	<u>Measure of Tax *</u>
Alabama	2.0	S-T	Missouri	4.425	S-T
Arizona	5.0	S-T	(1) Nebraska	5.0	S-T
California	5.0	S	New Jersey	6.0	S-T
Colorado	3.0	S-T	New York	4.0	S-T
Connecticut	8.0	S-T	North Dakota	6.0	S-T
Florida	6.0	S-T	Ohio	5.0	S-T
Georgia	4.0	S-T	Pennsylvania	6.0	S-T
Hawaii	4.0	S-T	Rhode Island	6.0	S-T
Idaho	5.0	S-T	Tennessee	5.5	S-T
Illinois	6.25	S-T	Texas	6.0	S-T
Kansas	4.25	S-T	Utah	5.09	S-T
Louisiana	4.0	S-T	(2) Vermont	4.0	S-T
Maine	5.0	S-T	Virginia	3.0	S
Massachusetts	5.0	S-T	Washington	6.5	S-T
Michigan	4.0	S	Wisconsin	5.0	S-T
			Wyoming	3.0	S-T

* S = Sales Price T = Trade-in Allowance

(1) Effective July 10, 1990, Nebraska's sales tax rate increases from 4% to 5%.

(2) Sales tax applies to passenger cars and passenger vans only. The tax does not apply to school buses, mo-peds, motorcycles, small trucks, motor trucks, tractors or any other motor vehicle primarily designed to transport property.

(Revised 6/90)