June 6, 2002

H 1548. APPLY SALES TAX TO CERTAIN VEHICLES. *TO APPLY THE GENERAL SALES AND USE TAX TO SALES OF AIRCRAFT, BOATS, RAILWAY CARS, AND LOCOMOTIVES*. Repeals GS 105-164.4(a)(1b), which taxes cited items sold at retail, including all accessories attached to the item when it is delivered to the purchaser, at 3 percent rate with a maximum tax of $1,500 per article. Effect is to remove rate cap, and to impose state sales and use tax at 4 1/2 percent rate until July 1, 2003, and 4 percent on and after that date. Also makes sale of items subject to local option sales and use taxes, currently levied by all counties at a total 2 percent rate. Effective July 1, 2002, and applies to sales made on or after that date.

Intro. by Michaux.

Ref. to Finance	GS 105