

Sales and Use Tax Exemptions, Exclusions, Caps, and Limitations in FY2017-18

Line	Code Section	Year Enacted	Description of Exemption	FY2018 Exemption Estimate (Dollars)	FY2018 Subtotal (Dollars)	Notes
1	12-36-2110		Maximum Sales Tax Caps			
2	(A)	1984	Maximum tax on sale or lease of aircraft, motor vehicles, motorcycles, boats, trailers or semitrailers pulled by a truck tractor, horse trailers, recreational vehicles, and self-propelled light construction equipment	\$305,475,085		
3	(A)(1)		Aircraft, including unassembled aircraft which is to be assembled by the purchaser		\$1,427,320	
4	(A)(2)		Motor vehicles		\$281,865,172	
5	(A)(3)		Motorcycles		\$1,809,860	
6	(A)(4)		Boats		\$3,739,302	
7	(A)(5)		Trailer or semitrailers, pulled by a truck tractor, and horse trailers		\$1,014,441	
8	(A)(6)		Recreational vehicles, including tent campers, travel trailers, park model, park trailer, motor homes, and fifth wheel		\$7,950,557	
9	(A)(7)		Self-propelled light construction equipment with compatible attachments limited to a maximum of 160 net engine horsepower		\$7,668,433	
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11	12-36-2120		Exemptions From Sales Tax			
12	(2)	1984	Tangible personal property sold to the federal government	\$188,475,064		
13	(4)	1951	Sale of livestock used primarily as beasts of burden and livestock that provide, food, pelts, or fur	\$75,226,527		
14	(5)	1951	Feed used for production and maintenance of poultry and livestock	\$51,102,087		
15	(9)	1951	Coal, or coke, or other fuel sold to manufacturers, electric power companies, and transportation companies	\$268,770,469		
16			Manufacturing (Industrial)		\$125,753,443	
17			Electric utilities		\$113,720,257	
18			Transportation companies		\$29,296,769	
19	(11)	1951	Toll charges for the transmission of voice or messages between telephone exchanges and transactions	\$51,747,908		
20	(A)		Toll charges for the transmission of voice messages between telephone exchanges (long distance)		\$37,399,500	
21	(B)		Charges for telegraph messages			
22	(C)		Carrier and customer access charges established by the Federal Communications Commission or the SC Public Service		\$9,470,700	
23	(D)		Automatic teller machine transactions		\$4,877,708	
24	(14)	1951	Wrapping paper, wrapping twine, paper bags, and containers used in the sale and delivery of tangible personal property	\$34,325,906		
25	(15)	1951	Motor fuel, blended fuel, and alternative fuel subject to tax under Chapter 28 Title 12; however, gasoline used in aircraft is not	\$506,876,977		
26	(A)		On-Highway		\$489,245,711	
27	(A)		Off-Highway		\$17,631,266	
28	(17)	1951	Machines used in manufacturing, processing, recycling, compounding, mining, or quarrying tangible personal property for sale	\$155,999,700		
29	(19)	1951	Electricity used by cotton gins, manufacturers, miners, or quarriers to manufacture, mine, or quarry tangible personal property for	\$125,753,443		
30	(28)	1974	Medicine and prosthetic devices sold by prescription, radiopharmaceuticals used in treatment of cancer and other related diseases, free samples distributed by its manufacturer, and medicines used to prevent respiratory syncytial virus	\$518,916,102		
31	(A)		Medicine and prosthetic devices		\$491,961,739	
32	(B)		Diabetic supplies, including hypodermic needles, insulin, and blood sugar test strips		\$19,080,000	
33	(C)		Disposable medical supplies used in the treatment of a patient outside of a hospital, skilled nursing facility, or ambulatory surgical treatment center		\$2,831,363	
34	(D)		Medicine donated by its manufacturer to a public institution of higher education for research or for treatment of indigent		\$51,000	
35	(E)		Dental prosthetic devices		\$4,992,000	
36	(33)	1979	Electricity or any combustible heating material or substance used for residential purposes	\$309,900,000		
37			Electricity		\$267,900,000	
38			Natural Gas		\$29,500,000	
39			Fuel Oil		\$100,000	
40			Kerosene		\$300,000	
41			LP Gas		\$10,100,000	
42			Coal		\$0	
43			Other combustible material		\$2,000,000	
44	(60)	2001	Lottery ticket sales	\$85,968,000		
45	(75)	2007	Unprepared food that may be purchased with United States Department of Agriculture food coupons	\$444,833,014		
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47	12-36-2610	1959	Discount for timely filed payment of tax, maximum discount of \$10,000 for voluntarily registered out-of-state retailers and \$3,000 for all other retailers (\$3,100 for retailers filing by EFT)	\$33,399,560		
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49			Total Sales and Use Tax Exemptions	\$3,156,769,842		

Notes:

Sources: South Carolina Revenue and Fiscal Affairs Office, Board of Economic Advisors; Office of Economic Research; South Carolina Department of Revenue; Legislative Printing and Information Technology Resources.

South Carolina Board of Economic Advisors
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