

HCS HB 1141 -- PERSONAL PROPERTY

SPONSOR: Van Schoiack

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Special Committee on Tax Reform by a vote of 10 to 0.

This bill exempts from sales tax all sales of used tangible personal property, including any tangible personal property that is sold a second time or any number of additional subsequent times after the initial point of sale, at an auction.

The provisions of this bill shall not apply to motor vehicles, trailers, boats, or outboard motors purchased or acquired for use on the highways or waters of this state which are required to be titled.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that auctions are often occasions in which the goods that are being exchanged have been previously sold numerous times. This usually means that the point of purchase on those goods has already been taxed a number of times. Furthermore, requiring an auctioneer to collect sales tax on items sold at an auction results in less profit going to the seller.

Testifying in person for the bill were Representative Van Schoiack; and Toney Thornhill, Higher Calling Auctions.

OPPONENTS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.