

HB 1510 -- Sales and Use Tax Exemption Regarding Certain Motor Vehicles and Common Carriers

Sponsor: Riddle

This bill adds materials, replacement parts, and equipment purchased for use directly on motor vehicles used by motor carriers in the transportation of persons or property to the list of items exempt from state and local sales and use taxes. Currently, only motor vehicles that are engaged as common carriers of persons or property are exempt.

The bill authorizes an exemption from state and local sales and use taxes for railroad rolling stock for use by a motor vehicle licensed for a gross weight of 24,000 pounds or more or a trailer used by motor carriers in the transportation of persons or property. Currently, it only applies to motor vehicles and trailers used by common carriers with that gross weight.

The definition of "common carrier" is revised by removing the requirement that it must hold itself out to the general public to engage in the transportation of passengers or property for hire or compensation.