

**Comparative State Sales & Property Taxes on Motor Carrier Rolling Stock
As of January 1, 2018**

	<u>Rolling Stock:</u>		<u>Parts for Rolling Stock:</u>		Total Sales Tax Paid	Property Tax Paid on Rolling Stock
	Sales Tax Rate	Sales Tax Paid	Sales Tax Rate	Sales Tax Paid		
Alabama	2.00%	\$725	4.00%	\$240	\$965	\$803
Alaska	No tax		No Tax			Exempt
Arizona	Exempt		Exempt			(1)
Arkansas	Exempt		6.25%	\$390	\$390	\$1,022
California	7.25%	\$2,628	7.25%	\$435	\$3,063	(1)
Colorado	Exempt		2.90%	\$174	\$174	(1)
Connecticut	Exempt		6.35%	\$381	\$381	Exempt
Delaware	4.25%	\$1,539	No Tax		\$1,539	Exempt
Florida	6.00%	\$2,175	6.00%	\$360	\$2,535	Exempt
Georgia	Exempt		Exempt			(1)
Hawaii	4.00%	\$1,450	4.00%	\$240	\$1,690	Exempt
Idaho	Exempt		6.00%	\$360	\$360	Exempt
Illinois	Exempt		Exempt			Exempt
Indiana	Exempt		Exempt			(1)
Iowa	Exempt		6.00%	\$360	\$360	Exempt
Kansas	Exempt		Exempt			(1)
Kentucky	Exempt		Exempt			(1)
Louisiana	Exempt		5.00%	\$300	\$300	Exempt
Maine	Exempt		5.50%	\$330	\$330	\$3,720 (1)
Maryland	Exempt		Exempt			Exempt
Massachusetts	6.25%	\$2,266	6.25%	\$375	\$2,641	\$2,750
Michigan	Exempt		Exempt			Exempt
Minnesota	6.88%	\$2,492	6.88%	\$413	\$2,905	Exempt
Mississippi	Exempt		7.00%	\$420	\$420	Exempt
Missouri	Exempt		Exempt			\$2,435
Montana	No tax		No Tax			(1)
Nebraska	Exempt		Exempt			Exempt
Nevada	6.85%	\$2,483	6.85%	\$411	\$2,894	(1)
New Hampshire	No tax		No Tax			\$2,800
New Jersey	Exempt		Exempt			Exempt
New Mexico	3.00%	\$1,088	5.13%	\$308	\$1,396	Exempt
New York	Exempt		Exempt			Exempt
North Carolina (2)	3.00%	\$363	4.75%	\$285	\$648	\$1,222

	<u>Rolling Stock:</u>		<u>Parts for Rolling Stock:</u>		Total Sales Tax Paid	Property Tax Paid on Rolling Stock
	Sales Tax Rate	Sales Tax Paid	Sales Tax Rate	Sales Tax Paid		
North Dakota	5.00%	<i>\$1,813</i>	5.00%	\$270	\$2,083	Exempt
Ohio	Exempt		Exempt			Exempt
Oklahoma	Exempt		4.50%	\$270	\$270	Exempt
Oregon	No Tax		No Tax			Exempt
Pennsylvania	Exempt		Exempt			Exempt
Rhode Island	Exempt		7.00%	\$420	\$420	Exempt
South Carolina (2)	6.00%	\$150	6.00%	\$360	\$510	\$2,818
South Dakota	4.00%	<i>\$1,450</i>	4.50%	\$270	\$1,720	Exempt
Tennessee	Exempt		3.75%	\$225	\$225	\$544
Texas	Exempt		6.25%	\$375	\$375	\$3,355
Utah	Exempt		4.70%	\$282	\$282	(1)
Vermont (2)	6.00%	\$838	6.00%	\$360	\$1,198	Exempt
Virginia	Exempt		4.30%	\$258	\$258	\$1,852
Washington	Exempt		Exempt			Exempt
West Virginia	Exempt		Exempt			(1)
Wisconsin	Exempt		Exempt			Exempt
Wyoming	Exempt		4.00%	\$240	\$240	(1)

These figures represent the sales and property taxes paid in each state for a tractor-semitrailer combination operated by a regulated for-hire interstate motor carrier. For purposes of this comparison, the vehicle is assumed to operate all of its miles in the state in which it is based. The *italicized* figures represent amounts that are apportioned according to mileage traveled in the state.

The combination has a manufacturer's suggested retail price of \$155,000, its purchase price was \$145,000 (the tractor \$120,000, the trailer \$25,000), has a useful life of 4 years and is in its first year of operation. It is assumed to be worth \$110,000 on the retail market and \$80,000 as a trade-in. It requires \$6,000 worth of parts per year, including tires.

The sales taxes on the purchase of equipment, which are amortized over the useful life of the tractor and trailer, do not in each instance correspond to the tax rate, since some states cap the amount of tax due on a single transaction involving rolling stock. The extent of state sales tax exemptions for rolling stock varies greatly. Local sales taxes are not included here.

Property taxes, which tend to vary widely depending on locality, are calculated here for the capital city of each taxing state.

NOTES:

(1) These states collect a fee in-lieu of property tax through the International Registration Plan on all interstate carriers operating in the state, as a part of the registration process.

Maine imposes an in-lieu fee on the equipment of all carriers entering the state, but allows no apportionment of tax to Maine-based carriers.

(2) State caps sales tax.