

**Comparison of the Sales Tax Paid on the Sale of a Motor Vehicle
South Carolina, North Carolina, and Georgia
As of October 1, 2009
(Dollars)**

State / Jurisdiction of Tax	(1) Tax Rate	(2) Retail Price Paid for a Motor Vehicle 1/ (3) \$6,000 (4) \$16,000 (5) \$36,000 (6) \$56,000			
		(2) \$6,000	(3) \$16,000	(4) \$36,000	(5) \$56,000
South Carolina 2/					
State Tax 5/	5%	\$300	\$300	\$300	\$300
Local Tax 6/	0%	\$0	\$0	\$0	\$0
Total Tax		\$300	\$300	\$300	\$300
Effective Tax Rate (%) *		5.00	1.88	0.83	0.54
North Carolina 3/					
State Tax 7/	3%	\$180	\$480	\$1,080	\$1,680
Local Tax	0%	\$0	\$0	\$0	\$0
Total Tax		\$180	\$480	\$1,080	\$1,680
Effective Tax Rate (%) *		3.00	3.00	3.00	3.00
Georgia 4/					
State Tax 8/	4%	\$240	\$640	\$1,440	\$2,240
Local Tax 9/	1% to 3%	\$180	\$480	\$1,080	\$1,680
Total Tax		\$420	\$1,120	\$2,520	\$3,920
Effective Tax Rate (%) *		7.00	7.00	7.00	7.00

Notes: * Effective Tax Rate is the total tax collected divided by the retail price paid for a motor vehicle.

1/ Price paid for a new or used vehicle is not adjusted for trade-in allowance, manufacturer's rebates, promotions, or the federal CARS program allowance.

2/ South Carolina collects a sales tax on the sale or lease of a motor vehicle equal to the lesser of 5% up to \$300 per vehicle. Additional local option or municipal option sales taxes are not permitted by law.

3/ North Carolina collects a 3% Highway Use Tax on vehicles in lieu of a state sales tax. The tax is assessed each time a title is transferred. The maximum tax for a commercial vehicles with a weight greater than 26,000 is \$1,000. The maximum tax for a recreational vehicle that is not subject to the \$1,000 maximum tax is \$1,500 per title.

4/ Georgia collects a 4% sales tax and counties may impose a local sales tax of 1%, 2%, or 3%, consisting of three 1% local option sales taxes, out of a set of five local option taxes. The City of Atlanta imposes an additional 1% municipal-option sales tax, but it is not permitted on the sale of motor vehicles.

5/ SC Code of Laws, Section 12-36-2110(A)(2)

6/ SC Code of Laws, Section 12-36-1110

7/ General Statutes of North Carolina, G.S. 105-187.2 and G.S. 105-187.3(a)

8/ Official Code of Georgia, O.C.G.A., Section 48-8-30(b)(1)

9/ Official Code of Georgia, Sections 48-8-80 through 48-8-144. Of the state's 159 counties, 7 counties collect a 2% local option sales tax and 152 counties collect a 3% local option sales tax.

Sources: South Carolina Code of Laws, South Carolina Department of Revenue, General Statutes of North Carolina, North Carolina Department of Revenue, Official Code of Georgia, Georgia Department of Revenue.