

HCS HBs 493 & 635 -- SALES TAX EXEMPTION

SPONSOR: Van Schoiack

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Ways and Means by a vote of 7 to 1. Voted "Do Pass" by the Standing Committee on Rules- Legislative by a vote of 8 to 1.

The following is a summary of the House Committee Substitute for HBs 493 & 635.

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 do 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.

This bill is similar to HCS HB 1606 (2024) and HB 1141 (2023).

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 this bill ensures that items that have been sold several times at auctions after their initial sale are not taxed. They state that when fiscal notes come out these items are unknown and untraceable. Supporters state that many states, including Illinois, has addressed this issue, and this bill will as well.

Testifying in person for this bill was Representative Van Schoiack.

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.