

Sales Tax on Furniture and Appliances Sold with Manufactured Homes

The information below is taken from Section 117-335.4 of regulations issued by the SC Department of Revenue:

Examples of Furniture and Appliances that Are Not Taxed Separately from the Home. Items such as disposals, built-in dishwashers, and built-in stoves are considered a part of the home and are not taxed separately from the home if installed at the time of the retail sale of the home.

Examples of Furniture and Appliances that Are Taxed Separately from the Home. Furniture and appliances are not considered a part of a manufactured or modular home, unless they are built-ins. For example, televisions, counter appliances, sofas, chairs and tables, even though sold with a home, are not a part of the home.



The regulation does not address refrigerators. In a recent audit, a DOR employee told the retailer that he did **not** consider a refrigerator that came with the home and was connected to the home's water supply to be "built-in." We expect to receive clarification on this issue.

How Furniture and Appliances Should be Taxed. Because these items are not a part of the home, they are taxed separately from the home at 5%, plus any applicable local sales and use tax, of their sales price less any trade-in allowed.

How to Determine the Taxable Value of Furniture and Appliances. The amount upon which the tax is calculated on furniture and appliances that are not built in is the amount listed in the sales contract for these items or the retail fair market value of these items if the amounts for these items are not listed in the contract or if the amounts listed in the contract do not reasonably represent the retail fair market value of these items.

Important! This information is designed to provide a general overview of this topic and, of course, should not be relied upon as legal advice. Check with your legal counsel for any changes in the laws and regulations and to determine how the law applies to your individual business operations.

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