

Subject Single-member LLCs; sales tax exemption

Authors Agbaje

Analyst Alexandra Haigler

Date January 30, 2023

Summary

This bill allows a sale between the sole member of an LLC that is a disregarded entity and the LLC to qualify for the sales tax exemption for tangible property used in a trade or business that is not in the business of selling that property.

Under current law, this type of transfer does not qualify for an exemption.

The exemption is effective for sales and purchases made after June 30, 2023.