

A motion by Utah to amend the SSUTA by adding a definition for luxury clothing:

Appendix C

LIBRARY OF DEFINITIONS

Product Definitions

"Luxury clothing" means "clothing" with a sales price equal to or exceeding \$175.00 if a member state chooses to tax "luxury clothing" differently from "clothing." A state electing to tax "luxury clothing" differently from "clothing" shall not exempt the portion of the price of any individual item of luxury clothing below \$175.00.

Section 323: CAPS AND THRESHOLDS

- A. ~~Each~~ No member state shall:
1. ~~Not have caps or thresholds on the application of state sales or use tax rates or exemptions that are based on the value of the transaction or item after December 31, 2005. A member state may continue to have caps and thresholds until that date.~~
 2. ~~Not~~ have caps that are based on the application of the rates unless the member state assumes the administrative responsibility in a manner that places no additional burden on the retailer.
- B. ~~Each~~ No member state that has local jurisdictions that levy a sales or use tax shall ~~not~~ place caps or thresholds on the application of local rates or use tax rates or exemptions that are based on the value of the transaction or item ~~after December 31, 2005. A member state may continue to have caps and thresholds until that date.~~
- C. The provisions of this section do not apply to sales or use taxes levied on the retail sale or transfer of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes or to instances where the burden of administration has been shifted from the retailer or to member states electing to tax "luxury clothing" differently from "clothing."