

**Table 14: Taxation****B. Sales/Use Tax****1. Rates**

State	5.50%
Local	1.75%
<b>Total</b>	<b>7.25%</b>

**2. Local Occupation Tax**

Bar/Restaurants	2.00%
Hotel/Motels	4.00%
Car Rental	4.00%
Telecommunications	6.00%

**3. Property Subject to Sales Tax**

Production Machinery & Equipment	No
Non-Production Machinery & Equipment	Yes
Pollution Control Equipment	Refund Available
Office Furniture/Fixtures/Equipment	Yes
Office Building Construction Materials	Yes
Industrial Building Construction Materials	Yes
Manufacturers' Raw Materials	No (when used as ingredients or component parts in manufacturing operations)
Standard Software	Yes
Custom Software	Yes
Intangible Property	No personal property tax on intangibles

**4. Utilities**

Electric Power	7.25%
Natural Gas	7.25%
Fuel Oil	7.25%
Water & Sewer	7.25%

\*No sales tax on sales of energy for processing or manufacturing purposes

\*\*No sales tax on water used exclusively in manufacturing and processing

**5. Telephone**

<b>Tax</b>	<b>Percent</b>	<b>Comments</b>
State Sales Tax	5.50%	--
Local Sales Tax	1.75%	--
Local Occupational Tax	6.00%	--
Universal Service Fund (NUSF) Surcharge	4.37%	6.95% of a carrier's intrastate revenue
911 Service Surcharge	0.92%*	flat .45/month
Telecommunications Relay Service (TRS) Surcharge	0.04%*	flat .02/month
Estimated Subtotal (not including federal levies)	18.58%	

\*Estimate based on a \$50 bill