



STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF REVENUE
DELAWARE STATE BUILDING
820 N. FRENCH STREET
WILMINGTON, DELAWARE 19801

DIVISION OF REVENUE
TAX RULING 81-4

November 15, 1981

- Gross Receipts Tax - Draymen & Movers

House Bill No. 92, Vol. 63, Laws of Delaware, Ch. 12, approved April 27, 1981, amends Section 2301, Chap. 23, Title 30, Delaware Code, relating to business license requirements of draymen and movers, to provide for the exclusion from taxable gross receipts of amounts derived from interstate transport operations. Gross receipts derived from intrastate operations continue to be subject to the tax.

A taxable intrastate transport operation occurs when a mover picks up goods in Delaware and delivers the goods to a location in Delaware.

An interstate transport operation occurs when either the pick up or delivery of the particular goods occurs outside of Delaware. Examples of interstate transport operations are:

1. A mover picks up goods in Delaware and delivers the same goods to a location in Pennsylvania.
2. A mover picks up goods in Ohio and delivers the same goods to a location in Delaware.
3. A mover picks up goods in Pennsylvania and delivers the goods to a location in Maryland via Delaware highways.

The burden of proof is on the taxpayer to substantiate the amount of gross receipts derived from interstate transport operations which are properly excludible under this provision, and the taxpayer must maintain adequate records to meet this burden.

This amendment is effective as of April 27, 1981.

Robert W. Chastant
Director of Revenue

NOTICE: CORRECTION

In the last paragraph of Tax Ruling 81-2, relating to Inheritance Tax, the effective date should read "December 1, 1980," rather than December 1, 1981.