

General Sales and Use Tax Rates and Taxability

Welcome to General Sales and Use Tax Rates and Taxability

This bulletin provides important information about the July 2023 release of General Sales and Use Tax Rates and Taxability. Please review this bulletin carefully. If you have any questions, additional information is available on CCH [Support Online](#).

July Sales Tax Holidays

Alabama Back to School - July 21 – 23, 2023

Certain clothing, computers and school supplies will be exempt from state sales or use tax, although local tax may apply.

Eligible items

- Clothing (not accessories or protective or recreational equipment) with a sales price of \$100 or less per item
- Computers, computer software and school computer supplies with a sales price of \$750 or less
- School supplies, school art supplies and school instructional materials (noncommercial purchases) with a sales price of \$50 or less, including reference maps and globes and textbooks with sales price of more than \$30 and less than \$50
- Books (noncommercial purchases) with a sales price of \$30 or less per book.

<https://www.revenue.alabama.gov/sales-use/sales-tax-holidays/>

Florida Back to School – July 24 – August 6, 2023

During the sales tax holiday period, tax is not due on the retail sale of:

- Clothing, footwear, and certain accessories with a sales price of \$100 or less per item
- Certain school supplies with a sales price of \$50 or less per item,
- Learning aids and jigsaw puzzles with a sales price of \$30 or less
- Personal computers and certain computer-related accessories with a sales price of \$1,500 or less, when purchased for noncommercial home or personal use

https://floridarevenue.com/taxes/tips/Documents/TIP_23A01-06.pdf

Florida Freedom Summer Admissions and Outdoor Activities – May 29 – September 4, 2023

During this sales tax holiday period, admissions to music events, sporting events, cultural events, specified performances, movies, museums, state parks, and fitness facilities are exempt from sales tax. Also exempt from sales tax during this holiday period are eligible boating and water activity supplies, camping supplies, fishing supplies, general outdoor supplies, residential pool supplies, children's athletic equipment and children's toys. The sales tax holiday does not apply to rentals of eligible items or sales within a theme park, entertainment complex, public lodging establishment or airport.

Eligible items

- Admissions to the following events or performances scheduled to be held between May 29, 2023 and December 31, 2023: live music events; live sporting events; movies to be shown in a movie theater; ballet; plays; musical theatre performances; fairs; festivals; cultural events; private and membership clubs providing physical fitness facilities
- Admissions purchased for any of the following: museums, including annual passes; state parks, including annual passes; season tickets for ballets, plays, music events, and musical theatre performances
- Boating and water activity supplies:
 - Sales price of \$25 or less: goggles; snorkels; swimming masks
 - Sales price of \$35 or less: inflatable chairs; pool floats; pool toys; recreational pool tubes
 - Sales price of \$50 or less: safety flares
 - Sales price of \$75 or less: coolers; oars; life jackets; paddles
 - Sales price of \$150 or less: inflatable recreational water tubes and floats capable of being towed; kneeboards; wakeboards; water skis
 - Sales price of \$300 or less: paddleboards; surfboards
 - Sales price of \$500 or less: canoes; kayaks
- Camping supplies:
 - Sales price of \$30 or less: camping lanterns; flashlights
 - Sales price of \$50 or less: camping stoves; collapsible camping chairs; portable hammocks; sleeping bags
 - Sales price of \$200 or less: tents
- Fishing supplies:
 - Sales price of \$5 or less if sold individually or \$10 or less if multiple items are sold together: bait; fishing tackle
 - Sales price of \$30 or less: tackle bags; tackle boxes
 - Sales price of \$75 or less if sold individually or \$150 or less if sold as a set: reels; rods

Note: excludes supplies used for commercial fishing purposes
- General outdoor supplies:
 - Sales price of \$15 or less: insect repellent; sunscreen; sunblock
 - Sales price of \$30 or less: water bottles
 - Sales price of \$50 or less: bicycle helmets (bicycle helmets marketed for use by youth are always exempt from sales tax); hydration packs
 - Sales price of \$100 or less: sunglasses (prescription sunglasses are always exempt from sales tax)
 - Sales price of \$200 or less: binoculars
 - Sales price of \$250 or less: outdoor gas or charcoal grills
 - Sales price of \$500 or less: bicycles

- Residential pool supplies
 - Sales price of \$100 or less: covers; filters; lights; nets; residential pool or spa replacement parts
 - Sales price of \$150 or less: residential pool and spa chemicals when purchased by an individual
- Children’s athletic equipment with a sales price of \$100 or less:
 - Athletic equipment designed or intended by the manufacturer and marketed for use by a child 12 years of age or younger when the child engages in an athletic activity.
- Children’s toys with a sales price of \$75 or less:
 - Consumer products designed or intended by the manufacturer and marketed for use by a child 12 years of age or younger when the child plays.

https://floridarevenue.com/taxes/tips/Documents/TIP_23A01-03.pdf

Mississippi Back to School – July 28 & 29, 2023

Clothing, footwear and school supplies with a sales price of less than \$100 per item are exempt from sales tax during this period. Accessories such as jewelry, handbags, luggage, umbrellas, wallets, watches, briefcases and similar items do not qualify for the sales tax holiday. Note that backpacks and book bags are eligible school supplies.

Puerto Rico Back to School – July 14 & 15, 2023

School uniforms and specified school supplies will be exempt.

<https://hacienda.pr.gov/publicaciones/carta-circular-de-rentas-internas-num-23-11-cc-ri-23-11>

Tennessee Back to School – July 28 - 30, 2023

Tax-free items include:

- Clothing with a price of \$100 or less
- School and art supplies with a price of \$100 or less
- Computers for personal use with a price of \$1,500 or less.

<https://www.tn.gov/revenue/taxes/sales-and-use-tax/sales-tax-holiday/sth-traditional.html>

Updates and Changes

State General Rate Changes – New Mexico and South Dakota

Effective July 1, 2023, the following state rates will change:

New Mexico gross receipts and compensating taxes will be reduced from 5% to 4.875%.

South Dakota sales and use taxes will be reduced from 4.5% to 4.2%.

State Motor Vehicle Rate Changes – Georgia and Minnesota

Effective July 1, 2023, the following state motor vehicle rates will change:

Georgia title ad valorem tax will increase from 6.6% to 7%.

Minnesota motor vehicle excise tax will increase from 6.5% to 6.875%.

New Item – Baby and Toddler Products

Florida has enacted a new sales tax exemption for the following baby and toddler products:

1. Baby cribs, including baby playpens and baby play yards;
2. Baby strollers;
3. Baby safety gates;
4. Baby monitors;
5. Child safety cabinet locks and latches and electrical socket covers;
6. Bicycle child carrier seats and trailers designed for carrying young children, including any adaptors and accessories for these seats and trailers;
7. Baby exercisers, jumpers, bouncer seats, and swings;
8. Breast pumps, bottle sterilizers, baby bottles and nipples, pacifiers, and teething rings;
9. Baby wipes;
10. Changing tables and changing pads;
11. Children’s diapers, including single-use diapers, reusable diapers, and reusable diaper inserts; and
12. Baby and toddler clothing, apparel, and shoes, primarily intended for and marketed for children age 5 or younger. Baby and toddler clothing size 5T and smaller and baby and toddler shoes size 13T and smaller are presumed to be primarily intended for and marketed for children age 5 or younger.

Diapers, baby and toddler clothing, bottles, nipples, pacifiers and teething rings are covered by existing database items.

We have created a new item 0117 BABY CARE PRODUCTS/008 BABY AND TODDLER PRODUCTS for the other items that are newly exempt in Florida. Cribs, strollers, etc. that were previously mapped to general merchandise should be remapped to the new item, which is taxable in all states other than Florida.

Florida Hygiene and Baby Products Exemptions

The items below will be exempt starting July 1, 2023. This is in addition to the items covered by the new baby and toddler products item, 0117/008.

Group	Group Description	Item	Item Description
0114	DISPOSABLE DOMESTIC PAPER GOOD	001	ADULT DIAPERS
0117	BABY CARE PRODUCTS	003	BOTTLES AND NIPPLES
0117	BABY CARE PRODUCTS	007	PACIFIERS AND TEETHING RINGS
0123	ORAL HYGIENE	003	MOUTHWASH-MEDICATED/ANTISEPTIC
0123	ORAL HYGIENE	004	MOUTHWASH-NON-MEDICATED
0123	ORAL HYGIENE	005	TOOTHPASTE-MEDICATED/GERMICIDAL/CONTAINS FLUORIDE
0123	ORAL HYGIENE	006	TOOTHPASTE-NON MEDICATED
0123	ORAL HYGIENE	008	DENTAL FLOSS
0123	ORAL HYGIENE	009	TOOTHBRUSHES

Illinois Grocery Tax Suspension Ends

The one-year suspension of the Illinois 1% tax on eligible grocery food ends June 30, 2023, so the low rate will again apply.

Kansas Delivery and Freight

The definition of sales price will exclude separately-stated delivery charges starting July 1, 2023.

New Mexico Tribal Tax Roll-Up

We will be presenting tribal reporting codes, and rates, where they differ from the default county rate, under the county authorities. These changes will be available over the coming months.

North Dakota Children’s Diapers

Children’s diapers will be exempt starting July 1, 2023.

All other changes relate to rate and taxability updates.

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