

10th Annual Back to School Sales Tax Holiday: Aug 7 & 8

Iowa's 10th annual sales tax holiday will begin at 12:01AM on Friday, August 7th, and end at midnight Saturday, August 8th. This does not include Sunday. All businesses open these days are required to participate.

Iowa enacted its sales tax holiday in 2000, the second state to do so. Although 16 states and the District of Columbia have similar programs, Missouri is the only nearby state with a sales tax holiday.

Applies to Clothes and Shoes Priced Under \$100

The exemption only applies to clothing or footwear costing less than \$100; however, it does not include items designed primarily for athletic or

protective use or accessories such as jewelry, watches, handbags, wallets, or rented items. It also does not apply to clothing alterations or repairs.

- Split-Items: Items normally sold as one unit cannot be separated in order to lower the cost of component items to less than \$100.

- A manufacturer's coupon or rebate does not reduce an item's price, but a store issued coupon does reduce the price to determine whether it costs less than \$100 and is tax exempt.

- Gift Certificates: Items bought with a previously issued gift certificate are tax exempt. The sale of gift certificates are already tax exempt,

so no tax refund is owed the buyer of the gift certificate.

- A layaway sale is tax exempt, even if the final payment is made after the tax holiday period.

- A mail order sale is tax exempt, if ordered and paid for during the tax holiday period, even if delivered after the tax holiday period.

For more information, and a list of eligible items, contact the Iowa Department of Revenue by phone at (515) 281-3114, by email at idrf@idrf.state.ia.us, or by visiting their website at: www.iowa.gov/tax.