

**Approved by the Streamlined sales Tax Project at its January 13, 2004 Meeting**

**Taxability Matrix  
Library of Definitions**

**State:**  
**Completed by:**  
**E-mail address:**  
**Phone number:**

Each of the items listed in the chart are defined in the Library of Definitions in the Streamlined Sales Tax Agreement adopted November 12, 2002, or adopted by the Implementing States subsequent to November 12, 2002. Refer to Appendix C of the Streamlined Sales Tax Agreement for each definition. Complete each line to indicate the treatment of each definition in your state. If the definition does not apply, or if there is no statute cite in your state, enter "NA" in the space provided. **Sellers and certified service providers are relieved from tax liability to the member state and its local jurisdictions for having charged and collected the incorrect amount of sales or use tax resulting from the seller or certified service provider relying on erroneous data provided by the member state relative to treatment of the terms defined in the Library of Definitions.**

	Taxable	Exempt	Statute/Rule Cite
<b>Administrative definitions</b>			
Delivery charges including direct mail			
Delivery charges excluding direct mail			
Direct mail			
Sales price (identify how the options listed below are treated in your state)	Included in sales price	Excluded from sales price	Statute/Rule Cite
<ul style="list-style-type: none"> <li>Services necessary to complete the sale other than delivery and installation</li> <li>Delivery charges including direct mail</li> <li>Delivery charges excluding direct mail</li> <li>Installation charges</li> <li>Exempt personal property bundled with taxable personal property</li> <li>Credit for trade-in</li> </ul>			
<b>Product definitions</b>			
Clothing and related products	Taxable	Exempt	Statute/Rule Cite
Clothing			
Clothing accessories or equipment			
Protective equipment			

Sport or recreational equipment				
<b>Computer related products</b>				
Computer software (not prewritten)				
Computer software (not prewritten) delivered electronically				
Computer software (not prewritten) delivered via load and leave				
Prewritten computer software				
Prewritten computer software delivered electronically				
Prewritten computer software delivered via load and leave				
<b>Food and food products</b>				
Candy				
Dietary supplements				
Food and food ingredients				
Food sold through vending machines				
Soft drinks				
<b>Prepared food options - indicate whether the following options are included or excluded from the definition of prepared food.</b>				
<ul style="list-style-type: none"> <li>• Food sold without eating utensils provided by the seller whose primary NAICS classification is manufacturing in sector 311, except subsector 3118 (bakeries)</li> <li>• Food sold without eating utensils provided by the seller in an unheated state by weight or volume as a single item</li> <li>• Bakery items sold without eating utensils provided by the seller, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, Danish, cakes, tortes, pies, tarts, muffins, bars, cookies, tortillas</li> </ul>				
<b>Drugs (indicate how the options are treated in your state)</b>				
• Drugs for human use without a prescription				
• Drugs for human use with a prescription				
• Drugs for animal use without a prescription				
• Drugs for animal use with a prescription				
• Insulin without a prescription				
• Insulin with a prescription				
• Medical oxygen without a prescription				
• Medical oxygen with a prescription				
• Over-the-counter drugs without a prescription				

• Over-the-counter drugs with a prescription			
• Grooming and hygiene products			
• <b>Drugs and prescription drugs to hospitals and other medical facilities</b>			
• <b>Taxable and nontaxable drugs bundled together</b>			
• Free samples of drugs			

	Taxable	Exempt	Statute/Rule Cite
<b>Durable medical equipment</b> (indicate how the options are treated in your state)			
• Durable medical equipment without a prescription			
• Durable medical equipment with a prescription			
• Durable medical equipment paid for or reimbursed by Medicare			
• Durable medical equipment paid for or reimbursed by Medicaid			
• Durable medical equipment for home use without a prescription			
• Durable medical equipment for <b>home use with a prescription</b>			
• Durable medical equipment for home use paid for or reimbursed by Medicare			
• <b>Durable medical equipment for home use paid for or reimbursed by Medicaid</b>			
<b>Mobility enhancing equipment</b> (indicate how the options are treated in your state)			
• Mobility enhancing equipment without a prescription			
• Mobility enhancing equipment with a prescription			
• Mobility enhancing equipment paid for or reimbursed by Medicare			
• Mobility enhancing equipment paid for or reimbursed by Medicaid			
<b>Prosthetic devices</b> (indicate how the options are treated in your state)			
• Prosthetic devices without a prescription			
• Prosthetic devices with a prescription			
• Corrective eyeglasses without a prescription			
• Corrective eyeglasses with a prescription			
• Corrective eyeglasses paid for or reimbursed by Medicare			
• Corrective eyeglasses paid for or reimbursed by Medicaid			
• Contact lenses without a prescription			
• Contact lenses with a prescription			
• Contact lenses paid for or reimbursed by Medicare			
• <b>Contact lenses paid for or reimbursed by Medicaid</b>			
• Hearing aids without a prescription			
• Hearing aids with a prescription			
• Hearing aids paid for or reimbursed by Medicare			
• Hearing aids paid for or reimbursed by Medicaid			
• Dental prosthesis without a prescription			
• Dental prosthesis with a prescription			
• Dental prosthesis paid for or reimbursed by Medicare			

