

AUDIT SERVICES

## HOME CENTERS & HARDWARE STORES

TAX MATRIX

### INDUSTRY GUIDANCE

<b>Category:</b>	Home Centers & Hardware Stores	<b>Tax Type:</b>	Sales & Use Tax
<b>Brief Description:</b>	Home Centers & Hardware Stores Tax Matrix	<b>Effective Date:</b>	10-24-2022

The taxability of sales and purchases of tangible personal property and labor services by home centers and hardware stores are summarized below. While this document provides general information as to the taxability of sales and purchases of tangible personal property and labor services by businesses in the home centers and hardware stores industry, it may not necessarily cover every situation as the taxability may depend on facts and circumstances around the specific transaction. Should a more definitive determination be desired, businesses may request a letter ruling from the Department. [MODOR Letter Ruling Page](#)

#### **This list is not all-inclusive.**

Missouri sales or compensating use tax applies to those purchases identified or designated as taxable in the chart below. The applicable Missouri sales or Missouri consumer's use tax must be paid to the vendor or accrued and remitted directly to the Missouri Department of Revenue. Purchases from Missouri vendors may be reported using the retailer's sales tax return. Purchases from outside this state which are delivered to this state are to be reported on the Missouri consumer's use tax return.

<b>Sales by Home Centers &amp; Hardware Stores:</b>	<b>Taxable/Exempt</b>
Grills, smokers, and related accessories (including charcoal, tools, and seasonings etc.)	Taxable
Lawn mowers & parts	Taxable
Sales of propane gas only (Refill)	Taxable (domestic utility rate)
Sales of propane tank only	Taxable (full sales tax rate)
Propane tank exchange (Tank and propane priced together on receipt)	Taxable (full sales tax rate)
Propane tank exchange (Tank and propane priced separately on receipt)	Taxable (tank taxed at full sales rate & propane gas taxed at domestic utility rate)
Water heaters & sump pumps	Taxable
Laundry & dish washing machines	Taxable

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<b>Sales by Home Centers &amp; Hardware Stores (continued):</b>	<b>Taxable/Exempt</b>
Gardening supplies, tools, weed killer, plants, and seeds for individuals	Taxable
In-ground pools	Taxable
Above ground pools	Taxable
Dining room furniture	Taxable
Kitchen appliances & furniture	Taxable
Dining room and kitchen table items such as: silverware, plates, candles, etc.	Taxable
Living room furniture and electronics	Taxable
Outdoor décor & patio furniture	Taxable
Paint, paint samples, & paint supplies	Taxable
Bags of fertilizers, well water salt, concrete, and top soil	Taxable
HVAC/R units	Taxable
Key fobs	Taxable
Keys cut by the store	Taxable
Electrical and nonelectrical building tools	Taxable
Building materials such as: wood, lumber, drywall, insulation, and metal pieces, etc.	Taxable
Small hardware such as: nails, nuts, screws, bolts, and small plumbing parts, etc.	Taxable
Storage & organization items	Taxable
Shirts, glasses, hats, etc	Taxable
Lighting & electrical items	Taxable
Lighting fixtures such as: ceiling fans, outdoor security lighting, overhead lights, and various others	Taxable
Automotive, RV and marine items	Taxable
Circuit breakers & fuses	Taxable

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<b>Sales by Home Centers &amp; Hardware Stores (continued):</b>	<b>Taxable/Exempt</b>
Tool rental charges to a customer where tax was not paid at the time of the tool purchase	Taxable
Tool rental charges to a customer where tax was paid at the time of the tool purchase	Exempt
Carpet cleaner rental charges to a customer where tax was not paid when the carpet cleaner was purchased	Taxable
Carpet cleaner rental charges to a customer where tax was paid when the carpet cleaner was purchased	Exempt
Repairs to items such as: screen doors, grills, and lawn mowers	Exempt
Cutting services such as: key, glass, and pipe cutting	Exempt
Assembly services associated with the sales of tangible personal property	Taxable
Sharpening services	Exempt
Gift certificates	Exempt
Credit card fee reimbursements	Taxable
Delivery fees from third party to retailer that is billed to customer (inbound freight)	Taxable
Shipping (separately stated)	Exempt
Handling (separately stated)	Taxable
Combined shipping & handling	Taxable
*Vending machine sales	Taxable

**\*Vending machine sales are taxed 135% of the cost of the item sold based on the location of the tangible personal property.**

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<b>Purchases by Home Centers &amp; Hardware Stores:</b>	<b>Taxable/Exempt</b>
Tools used for services provided in store	Taxable
Paint color matching system, automatic colorant dispensers, computer equipment, and shakers	Taxable
Paint items included free with the purchase of paint, such as stirrers, openers, and dabbers	Exempt
Kitchen equipment for break room	Taxable
Paper products & containers consumed by the store	Taxable
Paper products & containers provided to customers to carry retail items	Exempt
Tables, chairs, stools, etc.	Taxable
Uniforms & shoes	Taxable
Streaming music services	Exempt
POS systems/cash registers	Taxable
Janitorial supplies	Taxable
Repair services to real property	Exempt
Utilities	Taxable
Media advertising	Exempt
Specialty advertising	Taxable
Trash & cleaning services	Taxable
Motor vehicles & trucks	Taxable (tax is due when titled)
Forklifts & pallet jacks	Taxable
Water heaters & sump pumps	Exempt
In-ground pools	Exempt
HVAC/R units for resale	Exempt
Circuit breakers	Exempt
Lighting fixtures	Exempt

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<b>Purchases by Home Centers &amp; Hardware Stores (continued):</b>	<b>Taxable/Exempt</b>
Security cameras & other security related equipment	Taxable
Security monitoring services	Exempt
Furniture and fixtures, including but not limited to: desks, lamps, tables chairs, artwork, signs plants and planters, shelving etc.	Taxable
Office supplies such as office forms, staplers, paper, pens, pencils, labels, business cards, ink, toner, ribbon cartridge, etc.	Taxable
Canned software and software upgrades to maintain or update software delivered via CD Rom	Taxable
Canned software provided via electronic download through the internet	Exempt
Custom software and software upgrades to maintain or update software developed for a single end user	Exempt
Books, newspaper, and magazine subscriptions	Taxable
Complimentary bottled water, coffee, soft drinks, creamer, sugar, cups and stir sticks, candy etc.	Taxable
Donations of tangible personal property	Taxable
Lease or rental of any copier, fax, vehicle, etc.	Taxable
Pest control services	Exempt
Promotional items including but not limited to: calendars, mugs, clothing, balloons, etc.	Taxable