

INDUSTRY GUIDANCE

| | | | |
|---------------------------|-------------------------------|------------------------|-----------------|
| Category: | Security Companies | Tax Type: | Sales & Use Tax |
| Brief Description: | Security Companies Tax Matrix | Effective Date: | 12-3-2022 |

The taxability of sales and purchases of tangible personal property and labor services by security companies 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 securities 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 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.

| Sales by Security Companies: | Taxable/Exempt |
|--|-----------------------|
| Monitoring services | Exempt |
| Monitoring equipment sold to customers including cameras, wall panels, and sensors | Taxable |
| Monitoring equipment rented to customers which provide monitoring services | Exempt |
| Installation labor charges included with sale of home security systems | Taxable |
| Software and application services | Exempt |
| Insurance coverages for theft and personal property | Exempt |
| Locks, automated locks, and doorbell cameras | Taxable |
| Smoke and carbon dioxide alarms | Taxable |

AUDIT SERVICES

**SECURITY
COMPANIES**

TAX MATRIX

| Purchases by Security Companies: | Taxable/Exempt |
|---|-----------------------|
| Items purchased for resale | Exempt |
| Monitoring equipment to be rented out to customers | Taxable |
| Monitoring equipment to be sold to customer | Exempt |
| Items used by business to install home security systems including trucks, ladders, tools, wiring, etc. | Taxable |
| Tools including, but not limited to, electric drills, screwdrivers, wrenches, wire cutters. | Taxable |
| Safety equipment | Taxable |
| 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 |
| Copiers, scanners, computers, printers, and fax machines | Taxable |
| Cameras of any type, printers and other similar equipment | Taxable |
| Pre-printed forms, printer paper, receipt books, pamphlets | Taxable |
| Canned software and software upgrades to maintain or updated 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 |
| Breakroom supplies such as microwaves, refrigerators, cups, and paper products | Taxable |
| Complimentary bottled water, coffee, soft drinks, creamer, sugar, cups and stir sticks, candy, etc. | Taxable |
| Promotional items including but not limited to: calendars, mugs, pens, clothing, balloons, etc. | Taxable |
| Educational materials such as posters, printed materials and literature, etc. | Taxable |
| Books, newspapers, and magazine subscriptions | Taxable |
| Lease or rental of any copier, fax, vehicle etc. | Taxable |
| Utilities | Taxable |
| Security cameras & other security related equipment | Taxable |

AUDIT SERVICES

**SECURITY
 COMPANIES**

TAX MATRIX

| Purchases by Security Companies (continued): | Taxable/Exempt |
|--|-----------------------|
| Specialty advertising | Taxable |
| Media advertising | Exempt |
| Donations of tangible personal property | Taxable |
| Streaming music services | Exempt |
| Trash & cleaning services | Exempt |
| Shredding services | Exempt |
| Janitorial supplies | Taxable |
| Pest control services | Exempt |
| Professional services such as legal or accounting | Exempt |
| Uniforms | Taxable |
| Repair and replacement parts for repairing, altering, or maintaining tangible personal property such as computers, printers, copiers, security equipment, etc. | Taxable |
| Repairs, maintenance, and remodeling services to existing structure/facility through a hired contractor | Exempt |
| Warranty or service agreements for tangible personal property such as computers, printers, copiers, security equipment, etc. | Exempt |