

AUDIT SERVICES

**AUTOMOTIVE
REPAIR &
RESTORATION**

TAX MATRIX

INDUSTRY GUIDANCE

| | | | |
|---------------------------|--|------------------------|-----------------|
| Category: | Automotive Repair & Restoration | Tax Type: | Sales & Use Tax |
| Brief Description: | Automotive Repair & Restoration Tax Matrix | Effective Date: | 12-02-2022 |

The taxability of sales and purchases of tangible personal property and labor services by automotive repair and restoration businesses 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 automotive repair and restoration 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 Automotive Repair & Restoration: | Taxable/Exempt |
|--|-----------------------|
| Parts and other sales of tangible personal property | Taxable |
| Parts used to repair tangible personal property | Taxable |
| Repair labor of tangible personal property | Exempt |
| Warranty, maintenance and service agreements for tangible personal property | Exempt |
| Warranty work with no charge to customer | Exempt |
| Parts for repairs paid by insurance companies under liability, collision or comprehensive personal or commercial automotive insurance policies and deductibles paid by the customer under insurance policies | Taxable |
| Charges for detailing a customer's vehicle | Exempt |

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| Sales by Automotive Repair & Restoration (continued): | Taxable/Exempt |
|--|-----------------------|
| Gift certificates | Exempt |
| Hazardous material fees | Taxable |
| Environmental fees | Taxable |

| Purchases by Automotive Repair & Restoration: | Taxable/Exempt |
|--|-----------------------|
| Items purchased for resale | Exempt |
| Miscellaneous supplies which are consumed | Taxable |
| Miscellaneous supplies which are transferred to customers | Exempt |
| Parts for resale | Exempt |
| Items consumed in performing repairs such as: sandpaper, tape, emery cloth, steel wool, masking tape, etc. | Taxable |
| Equipment including but not limited to motor vehicles, forklifts, pallet trucks, lift trucks, hydraulic equipment, conveyors, dollies, ladders, batteries and chargers, fans dock plates, etc. | Taxable |
| Equipment used to provide services including but not limited to: vehicle lifts, oil drain and oil caddy, battery charger and jumper, engine hoist, brake lathe, strut compressor, air conditioning machine, press, blasting equipment and materials etc. | Taxable |
| Tools and power tools including but not limited to: wrenches, pliers, screwdrivers, hammer, compressor, impact wrench, torque wrench, multimeter and oil-filter wrench, etc. | Taxable |
| Seat upholstery fabric used for repair or restoration | Taxable |
| Safety equipment such as gloves, glasses, burn suits, ear plugs, hard hats, back support belts, etc. | Taxable |
| Chemicals consumed in performing repair such as: paint, paint remover, thinners, glue, polish, wax, etc. | Taxable |
| Subcontracted services such as brake disc or drum turning, windshield replacement, etc. | Exempt |
| Custom software and software upgrades to maintain or update software developed for a single end user | Exempt |
| 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 |

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| Purchases by Automotive Repair & Restoration (continued): | Taxable/Exempt |
|---|-----------------------|
| Machines and software along with manufacturer's software updates/upgrades to diagnostic machines and other specialty equipment used to analyze vehicle problems for repair purposes | Taxable |
| Books, newspapers, and magazine subscriptions | Taxable |
| Lease or rental of any copier, fax, vehicle etc. | Taxable |
| Copiers, scanners, computers, printers, and fax machines | 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 |
| Office supplies such as office forms, staplers, paper, pens, pencils, labels, business cards, ink, toner, ribbon cartridge, etc. | Taxable |
| Furniture and fixtures, including but not limited to: desks, lamps, tables, chairs, artwork, signs, plants and planters, shelving, etc. | Taxable |
| Shelving, display racks, checkout counters, storage cabinets, display cases, scanners, cash drawers, bins and boxes, etc. | Taxable |
| Breakroom supplies such as microwaves, refrigerators, cups, and paper products | Taxable |
| Utilities | Taxable |
| Security cameras & other security related equipment | Taxable |
| Security monitoring services | Exempt |
| 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 |
| Donations of tangible personal property | Taxable |

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| Purchases by Automotive Repair & Restoration (continued): | Taxable/Exempt |
|--|-----------------------|
| Specialty advertising | Taxable |
| Media advertising | 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 |