

INDUSTRY GUIDANCE

Category: Farmers Market	Tax Type: Sales & Use Tax
Brief Description: Farmers Market Tax Matrix	Effective Date: 3-27-2023

The taxability of sales and purchases of tangible personal property and labor services by farmers markets 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 farmers market 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 Farmers Market:	Taxable/Exempt
<i>Any sales where the person or entity has annual sales in excess of \$25,000 per year, notwithstanding the products that are sold</i>	Taxable
Cooked foods for immediate consumption	Taxable
Fish and other seafood where the items are from aquaculture processed by the seller	Exempt
Meat from animals raised by seller	Exempt
Milk from animals raised by seller	Exempt
Mushrooms grown by the seller	Exempt
Fresh fruits and vegetables grown by the seller	Exempt
Fresh fruits and vegetables purchased and resold by the seller	Taxable (reduced food tax rate)
Baked goods which a person purchases and resells	Taxable (reduced food tax rate)
Home baked goods made with farm products grown and processed by the participant farmer	Exempt
Honey which is made by the seller	Exempt

AUDIT SERVICES

FARMERS MARKET

TAX MATRIX

Sales by Farmers Market (continued):	Taxable/Exempt
Honey which is purchased and resold by the seller	Taxable (reduced food tax rate)
Live bees	Exempt
Mason jar gifts of farm products	Exempt
Mason jar gifts that do not consist of farm products grown by the seller	Taxable
Flowers and other horticultural commodities grown by the seller	Exempt
Flowers and other horticultural commodities purchased and resold by the seller	Taxable
Dog and pet treats, where these items are not made from the seller's farm products	Taxable
Dog and pet treats, where these items are made from the seller's farm products	Exempt
Bug spray	Taxable
Candles	Taxable
Christmas ornaments	Taxable
Face painting services	Exempt
Hand crafted items	Taxable
Knitted and crochet items	Taxable
Ornamental house plants	Taxable
Second hand clothes	Taxable
Jewelry	Taxable
Snow cones	Taxable
Soaps, where the seller made the soap from ingredients which the seller grew	Exempt
Soaps, where the soap was made from store bought ingredients	Taxable
Wood crafts	Taxable

AUDIT SERVICES

**FARMERS
MARKET**

TAX MATRIX

Purchases by Farmers Market (continued):	Taxable/Exempt
Any item that is resold at the Farmer's Market	Exempt
Ingredients purchased from a store to combine with farm products for baked and processed goods	Taxable
Tables, booths, chairs, display stands, and similar items used at the market	Taxable
Table cloths and tents used at the market	Taxable
Bags and boxes that are given to customers to hold the items purchased	Exempt
Boxes and baskets which hold products for display	Taxable
Cleaning materials such as gloves, chemicals, waxes, etc.	Taxable
Supplies such as forms, staplers, paper, pens, pencils, labels, ink, toner, ribbon cartridge, etc.	Taxable
Complimentary bottled water, coffee, soft drinks, creamer, sugar, cups and stir sticks, candy, etc.	Taxable
Educational materials such as posters, printed materials and literature, etc.	Taxable
Computer & internet equipment	Taxable
Donations of tangible personal property	Taxable
Specialty advertising	Taxable
Media advertising	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
Custom software and software upgrades to maintain or update software developed for a single end user	Exempt
Uniforms	Taxable
Trash & cleaning services	Exempt
Pest control services	Exempt
Security cameras & other security related equipment	Taxable
Security monitoring services	Exempt
Warranty or service agreements for tangible personal property such as computers, printers, copiers, security equipment, etc.	Exempt