

Urban Enterprise Zone Program

Ineligible Transaction Listings

The transactions below are not eligible for the reduced sales tax benefit, and must be taxed at the sales tax rate of 7%.

- Sales of services
- Sales, rentals or leases of motor vehicles
- Sales of alcoholic beverages
- Sales of prepared food, meals and beverages
- Sales of cigarettes
- Sales made from locations outside of the Enterprise Zones
- Charges for room occupancy, admissions and amusements
- Sales of machinery, apparatus and equipment purchased for use in manufacturing, processing, assembling, or refining tangible personal property.
- Sales of energy
- Sales of digital property
- Fees for membership to a health, athletic or shopping club
- Fees for parking, storing or garaging a motor vehicle
- Sales of subscription magazines and periodicals

If a qualified UEZ business that is authorized to collect tax at the reduced rate sells both services and personal property, the reduced rate may be applied to the sales of the personal property but **only** if the cost of the property is itemized separately on the bill.

Examples of ineligible services—

- Furnishing storage space
- Renting safety deposit boxes
- Information services
- Landscaping services
- Floor covering installation services
- Laundry services
- Dry cleaning
- Tailoring
- Health club facilities
- Body massage, tanning, or tattooing services
- Limousine
- Motor vehicle repairs*
- Restaurant and prepared food and beverage services

* Labor is taxed at the full rate; however, motor vehicle parts can be taxed at ½ rate.