

NOTICE : SALES AND USE TAX EXEMPTION FOR CLOTHING UNDER THE STREAMLINED SALES AND USE TAX LAW (P.L. 2005, c. 126) (Effective October 1, 2005)

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The adoption of the provisions of the Streamlined Sales and Use Tax Agreement (SSUTA) results in minor changes to the current sales and use tax exemption for specific types of clothing and footwear for human use. Clothing is defined as all human wearing apparel suitable for general use. N.J.S.A. 54:32B-8.4

In general, clothing and footwear are currently exempt from tax and remain exempt from tax. **However, the following types of clothing, which are currently subject to tax, will be exempt on and after October 1, 2005:**

Costumes: Under current law, only sales of “children’s costumes,” such as Halloween, dance recital, etc. are considered to be exempt clothing. Both the sale (and rental) of adult costumes are subject to tax. The definition of “clothing” in the new law does not make a distinction between children’s and adult costumes. Therefore, on and after October 1, 2005, the sale and rental of all costumes is exempt from tax. Separately purchased masks and other costume accessories remain taxable.

Fur clothing and footwear: Under the new law, fur clothing and footwear are exempt from sales tax. For additional information concerning fur purchases, see the Division’s Notice specifically addressing this area, available on the website at: <http://www.state.nj.us/treasury/taxation/salestaxfur.shtml>

NOTE: Effective July 15, 2006, a gross receipts tax of 6% is imposed on the retail sale of fur clothing. For additional information concerning this tax, see the Division's Notice at: <http://www.state.nj.us/treasury/taxation/pdf/furclothingusetax.pdf>

The following are examples of exempt clothing and footwear:

Aprons, household and shop; athletic supporters; baby receiving blankets; bathing suits and caps; beach capes and coats; belts and suspenders; boots; coats and jackets; costumes; diapers, children and adult, including disposable diapers; ear muffs; footlets; formal wear; garters and garter belts; girdles; gloves and mittens for general use; hats and caps; hosiery; insoles for shoes; lab coats; neckties; overshoes; pantyhose; rainwear; rubber pants; sandals; scarves; shoes and shoe laces; slippers; sneakers; socks and stocking; steel toes shoes, safety shoes; underwear; uniforms, athletic and non-athletic; and wedding apparel.

Clothing **does not include** the following, if sold separately: belt buckles, patches and emblems, costume masks. Such items are subject to tax.

Clothing **does include** sewing materials, such as fabrics, thread, knitting yarn, buttons and zippers, when purchased by non-commercial purchasers for incorporation into clothing. Such items continue to be exempt from tax. N.J.S.A. 54:32B-8.4(c)

Clothing accessories are items worn on the person or in conjunction with clothing. Clothing accessories are currently subject to tax and remain subject to tax.

The following are examples of taxable accessories:

hair notions (barrettes, bows, clips etc.); handbags; handkerchiefs; jewelry, umbrellas; wallets; watches; wigs and hair pieces

Protective equipment means items for human wear that are designed for protection of the wearer against injury or disease, or for protection against damage or injury of other persons or property, but not suitable for general use. Safety clothing, including protective equipment worn as part of work clothing, is currently exempt from tax and remains exempt from tax. N.J.S.A. 54:32B-8.4(b)

The following are examples of protective equipment which are exempt when worn as part of a work uniform or as work clothing:

breathing masks; clean room apparel; ear and hearing protectors; face shields; hard hats; helmets; paint or dust respirators; protective gloves; safety glasses and goggles; safety belts; tool belts; and welders gloves and masks.

NOTE: Protective equipment is only exempt when purchased for the daily work of the user and worn as part of a work uniform or work clothing. Protective equipment is taxable when purchased for general use, such as by an individual doing construction or repair work on their home or property.

Sports and recreational equipment means items designed for human use and worn in conjunction with an athletic or recreational activity that are not suitable for general use. Under current law, sports and recreational equipment are subject to tax. Such equipment remains taxable under the new law.

The following are examples of taxable sports and recreational equipment:

ballet and tap shoes; cleated or spiked athletic shoes; gloves, including, but not limited to, baseball, bowling, boxing, hockey, and golf; goggles; hand and elbow guards; life preservers and vests; mouth guards; roller and ice skates; shin guards; shoulder pads; ski boots; waders; and wetsuits and fins.

Services performed on clothing and footwear:

Charges for the services of laundering, dry cleaning, tailoring, weaving, pressing, and repairing/mending clothing and footwear remain exempt from sales tax. N.J.S.A. 54:32B-3(b)(2)(iv)

[E-mail](#) questions concerning the new streamlined sales and use tax law.