

HOUSE RESEARCH

Bill Summary

FILE NUMBER: HF 396

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Version: As introduced

Authors: Howes and others

Subject: Sales tax exemption for clothing repair and alteration

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Overview

The Minnesota sales and use tax applies to most tangible personal products and a limited number of services. In 1987, as part of an effort to increase state revenues, a number of services were added to the sales tax base. One of the services added was laundry and dry cleaning services which included cleaning, pressing, repairing, altering, and storing clothes.

Clothing alterations and repair are only taxable if charged for separately; alterations provided free by a clothing retailer are not taxable under current law.

- 1 Definition of a taxable sale.** Removes clothing alteration and repair services from the definition of a sale for sales tax purposes.
- 2 Effective Date.** Effective for sales made after June 30, 1999.