

**Subject** Capital equipment machinery purchase sales tax exemption expanded

**Authors** Baker and Davids

**Analyst** Alexandra Haigler

**Date** February 22, 2021

## Summary

This bill expands the sales tax exemption on capital equipment to include machinery and equipment used by restaurants. This exemption is retroactive to include sales and purchases made after December 31, 2019.

Additionally, this bill temporarily allows the exemption to apply to materials, supplies, and equipment used by restaurants to modify their establishments to comply with any executive order or COVID-19 health guidelines. For this temporary exemption, purchases must be made between March 1, 2020, and December 31, 2021.