



## Department of Taxation and Finance

### **Important:**

The information on the state and/or local exemptions for clothing and footwear in this TSB-M is out-of-date and cannot be relied upon.

For the most up-to-date information on state and local sales and use tax rates on clothing and footwear, see [Find sales tax rates](#).

For a detailed list of exempt and taxable items, see [Lists of Exempt and Taxable Clothing, Footwear, and Items Used to Make or Repair Exempt Clothing](#).

The TSB-M begins on page 2 below.

New York State Department of Taxation and Finance  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-M-97(14)S  
Sales Tax  
December 23, 1997

### **One-Week Sales and Use Tax Exemption on Clothing and Footwear**

Governor George E. Pataki and the legislative leaders have announced an agreement to enact a one-week exemption from New York State's (4%) sales and use taxes for certain clothing and footwear. The information contained in this memorandum and the list that appears at the end of this memorandum showing taxable and exempt items may be relied upon for the one-week exemption period unless we notify you about any changes to the agreement.

**The exemption will apply from January 17, 1998 through January 23, 1998.** In addition to the State's (4%) sales and use taxes, the exemption also applies to the ¼% tax imposed by the state in the Metropolitan Commuter Transportation District. This district consists of the city of New York and the counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester. The exemption will not apply to any locally imposed sales and use taxes unless the county or city imposing those taxes elects to provide for it.

The exemption will apply to most clothing and footwear, provided the item is to be worn by human beings. It will also apply to most fabric, thread, yarn, buttons, snaps, hooks, zippers and like items used or consumed in making or repairing exempt clothing, provided the item becomes a physical component part of this clothing. A vendor's charge for alterations to exempt clothing which it sells will likewise be exempt during the one-week exemption period.

The exemption will apply to items of clothing and footwear worn on the body. However, not all items worn on the body are clothing and footwear. Jewelry, watches, etc., remain taxable though worn on the body. Equipment items, such as tool belts, hard hats, and bicycle, ski, and motorcycle helmets, though worn on the body, will not be exempt from tax. Goggles for skiing and swimming, cleated and spiked shoes, hockey, baseball and lacrosse masks, baseball gloves, fireplace mittens, and similar pieces of equipment (sporting or otherwise) remain subject to tax. Antique clothing and footwear will be exempt provided the clothing and footwear are purchased for human wear, and not as collector items. Antique **doll** clothes and footwear will not be exempt, and all purchases of doll clothes and footwear are taxable.

Where exempt clothing and footwear are sold together as a single unit along with taxable merchandise, the full price is subject to sales tax unless the price of the clothing and footwear are separately stated. For example, a store has a boxed gift set for sale that has a French-cuffed dress shirt, cufflinks and a tie tack. The gift set is sold for a single price of \$50. Although the shirt would otherwise be exempt during the one-week exemption period, the full price of the boxed gift set would be taxable because the cufflinks and tie tack are taxable and the selling price of the shirt is not separately stated.

The following additional limitations will apply to this exemption.

- The article of clothing or footwear (per pair) must be sold for less than \$500. This \$500 limitation also applies to each item of fabric, thread, yarn, buttons, etc., used to make or repair clothing. Any charge by the vendor for alterations to clothing sold by the vendor must be included when determining whether the \$500 limitation has been met.
- Costumes and rented formal wear will not be eligible for exemption. Nor will the exemption apply to fabric, thread, yarn, buttons etc., used to make or repair costumes or rented formal wear.
- Items of fabric, thread, yarn, buttons, etc., used to make or repair otherwise exempt clothing will not be eligible for exemption if the item used is made from real or imitation pearls, or from real or imitation precious or semiprecious stones, jewels or metals.
- Most accessories (handbags, handkerchiefs, umbrellas, watches and watchbands, etc.) are not considered clothing and are taxable. However, belt buckles, cloth headbands, head scarves and neckwear such as scarves and ties will be exempt.
- Fabric, thread, yarn, buttons, etc., used to make or repair products other than wearing apparel (doll clothes, afghans, draperies, pillows, etc.) will be taxable.
- Monogramming of clothing prior to its sale will be eligible for exemption where the monogramming is sold as part of the article. However, if monogramming is done separately by a vendor for a separate charge, the charge for this service will not be eligible for exemption. Monogramming includes application of decals, logos and like items (pictures, letters, etc.) by sewing, printing, imprinting, silk screening, etc.

### **Special Rules That Apply During the One-Week Exemption Period**

The following special rules are to be used **only** for purposes of determining whether a sale of eligible clothing or footwear qualifies for the exemption during the week of January 17, 1998 through January 23, 1998.

#### **Delivery, Shipping and Handling Charges (Delivery)**

Reasonable charges by the vendor for delivery of eligible clothing and footwear items are not taken into account in determining if an item meets the \$500 limitation. For example, if an article of clothing sells for \$495 and the vendor charges \$10 for delivery, the clothing will qualify for exemption. However, delivery charges by the vendor for items costing \$500 or more remain subject to tax.

### **Mail and Telephone Orders**

The exemption will apply to all eligible clothing and footwear items ordered by mail or by telephone if the orders are accepted by the vendor during the week of the exemption. An order is accepted by the vendor when the vendor has taken an action to fill the order. Actions to fill an order include placing an "in-date" stamp on a mail order and assigning an "order number" to a telephone order. As long as the vendor accepts the customer's order during the one-week exemption period, the exemption will apply even though delivery might not be made during the exemption period.

This special rule will also apply to orders for eligible clothing and footwear items using the Internet, E-Mail and computer bulletin boards.

### **Layaway Sales**

A layaway sale is a sale in which merchandise is set aside for future delivery to a customer who makes a deposit and agrees to pay the balance of the purchase price over a period of time before the merchandise is delivered.

The sales price of the merchandise includes any additional charges a vendor makes for putting the merchandise on layaway. These charges must be added to the ticket price of the clothing or footwear item for purposes of determining whether the cost of the item is less than \$500.

If a vendor and a customer enter into a contract for a layaway sale of eligible clothing or footwear during the one-week exemption period, the exemption will apply as long as the customer makes a deposit of 10% and the merchandise is segregated from other inventory.

### **Custom and Special Orders**

Eligible clothing and footwear items that are custom ordered or special ordered during the one-week exemption period will qualify for the exemption, even though the item is delivered after the exemption period. To qualify for the exemption, the vendor and the customer must enter into a contract during the exemption week to have the custom or special order made for the customer.

### **Rain Checks**

The exemption will not apply to clothing or footwear purchased after January 23, 1998 even though the purchaser uses a "rain check" that was issued during the week of January 17, 1998 through January 23, 1998.

### **Exchanges**

Where a customer purchases eligible clothing or footwear during the one-week exemption period and returns the item after January 23, 1998 for an exchange, there will be no additional tax as long as the item is exchanged for a like item, a shirt for a shirt, etc. Where a customer returns the item and receives a credit or is allowed to purchase a different item, the appropriate sales tax will apply to the sale of the newly-purchased item. For example, if a customer buys a shirt during the exemption period and exchanges it the following month for a pair of boots, tax is due on the full price of the boots.

### **Coupons**

Where a customer uses a manufacturer's coupon to pay for eligible clothing or footwear, the value of the coupon does not reduce the selling price for purposes of determining whether the item is sold for less than \$500. Where a customer pays for eligible clothing or footwear using a store coupon, for which the store receives no reimbursement, the store coupon does reduce the selling price for purposes of determining whether the item is sold for less than \$500.

### **Special Reporting Requirements For One-Week Exemption Items**

Vendors who make sales of eligible clothing and footwear during the one-week exemption period must file ***Schedule H*** to report those sales. Schedule H contains lines to report sales of clothing and footwear made during the one-week exemption period (January 17 - January 23) for each locality (county and city) imposing taxes in the state. All sales of eligible clothing and footwear during that week must be separately reported for the locality in which the sales were made. That is, sales of eligible clothing and footwear must be reported, by locality, whether they are subject to local tax (because a city or county did not elect for the exemption to apply) or are totally exempt from state and local tax.

Schedule H will be supplied to all quarterly filers of forms ST-100, ST-102 (quarterly) and ST-810 with their returns for the quarterly period December 1, 1997 - February 28, 1998. This schedule should be completed and filed along with their quarterly report. Annual filers will receive Schedule H with the ST-101 and ST-102 (annual) for the period June 1, 1997 - May 31, 1998. Sales of eligible clothing and footwear in the week of January 17 - January 23, 1998 should be reported on this schedule. The schedule must be returned with these annual returns.

The pages that follow contain a list which indicates whether an item qualifies for the one-week sales and use tax exemption on clothing and footwear.

**T = Taxable**  
**E = Exempt**

| <b>T/E</b> | <b>ITEM</b>  | <b>T/E</b> | <b>ITEM</b>                               | <b>T/E</b> | <b>ITEM</b>  |
|------------|--|------------|---|------------|--|
|            | Accessories  | <b>E</b>   | Arm warmers                               | <b>E</b>   | Camp clothes   |
| <b>T</b>   | barrettes  | <b>E</b>   | Athletic socks                            | <b>E</b>   | Caps   |
| <b>E</b>   | belt buckles                                       | <b>E</b>   | Athletic supporters                       | <b>E</b>   | Chef uniforms  |
| <b>T</b>   | bobby pins   | <b>E</b>   | Baby diapers                              | <b>T</b>   | Children's costumes  |
| <b>T</b>   | elastic ponytail holders                           | <b>E</b>   | Bandannas                                 | <b>E</b>   | Clerical vestments   |
| <b>T</b>   | hairbows   | <b>E</b>   | Baseball hats                             | <b>E</b>   | Coats and wraps  |
| <b>T</b>   | hairclips  | <b>T</b>   | Baseball and hockey gloves                | <b>T</b>   | Corsages and boutonnieres                                    |
| <b>T</b>   | handbags   | <b>E</b>   | Baseball uniforms                         | <b>E</b>   | Corset laces   |
| <b>T</b>   | handkerchiefs                                      | <b>E</b>   | Bathing caps                              | <b>T</b>   | Costumes - Halloween,<br>Christmas, etc.                     |
| <b>E</b>   | head scarves                                       | <b>E</b>   | Bathing suits                             |            |  |
| <b>T</b>   | headbands (plastic)                                | <b>E</b>   | Beach capes and coats                     | <b>E</b>   | Coveralls  |
| <b>E</b>   | headbands (cloth)                                  | <b>E</b>   | Belts/suspenders                          | <b>T</b>   | Crib blankets  |
| <b>T</b>   | jewelry  | <b>E</b>   | Bibs (baby)                               | <b>E</b>   | Dress shields  |
| <b>T</b>   | key cases  | <b>T</b>   | Bicycle shoes (cleated)                   | <b>E</b>   | Dresses  |
| <b>E</b>   | scarves for headwear /<br>neckwear                 | <b>E</b>   | Blouses                                   | <b>E</b>   | Ear muffs  |
| <b>T</b>   | shower caps  | <b>E</b>   | Boots (generally)                         | <b>E</b>   | Employee uniforms  |
| <b>T</b>   | wallets  | <b>T</b>   | climbing                                  | <b>E</b>   | Football uniforms (clothing- not<br>including shoulder pads) |
| <b>T</b>   | watch bands  | <b>T</b>   | fishing                                   |            |  |
| <b>T</b>   | watches  | <b>E</b>   | hiking                                    | <b>E</b>   | Formal clothing (unless rented)                              |
| <b>E</b>   | Adult diapers*                                     | <b>E</b>   | overshoes/galoshes                        | <b>E</b>   | Foul weather clothing  |
| <b>E</b>   | Aerobic clothing                                   | <b>T</b>   | riding                                    | <b>E</b>   | Fur clothing   |
| <b>T</b>   | Afghans  | <b>T</b>   | ski                                       | <b>E</b>   | Garters/garter belts   |
| <b>E</b>   | Antique clothing (but see page 1<br>for exception) | <b>T</b>   | waders                                    | <b>E</b>   | Girdles  |
| <b>E</b>   | Aprons (household and shop)                        | <b>E</b>   | Bowling shirts                            | <b>E</b>   | Gloves (generally)   |
| <b>E</b>   | Arch supports*                                     | <b>T</b>   | Bowling shoes                             | <b>T</b>   | batting  |
|            |  | <b>E</b>   | Bridal gowns and veils (unless<br>rented) | <b>T</b>   | bicycle gloves   |
|            |  |            |   | <b>E</b>   | dress (unless rented)  |

**January 17 - 23, 1998 Exemption on Clothing and Footwear**

**T = Taxable**  
**E = Exempt**

| <b>T/E</b> | <b>ITEM</b>                    | <b>T/E</b> | <b>ITEM</b>                    | <b>T/E</b> | <b>ITEM</b>                    |
|------------|--------------------------------|------------|--------------------------------|------------|--------------------------------|
| <b>E</b>   | garden                         | <b>E</b>   | Leotards/tights                |            | on)                            |
| <b>T</b>   | golf                           | <b>T</b>   | Life vests                     | <b>E</b>   | Safety clothing (normally worn |
| <b>E</b>   | leather                        | <b>E</b>   | Lingerie                       |            | in hazardous occupations)      |
| <b>T</b>   | rubber                         | <b>T</b>   | Lobster bibs                   | <b>T</b>   | Safety glasses (non-           |
| <b>E</b>   | ski gloves                     | <b>E</b>   | Martial arts attire            |            | prescription)                  |
| <b>T</b>   | surgical                       | <b>E</b>   | Neckwear/ties                  | <b>E</b>   | Scout uniforms                 |
| <b>T</b>   | tennis                         | <b>E</b>   | Nylons                         | <b>E</b>   | Shawls/wraps                   |
| <b>E</b>   | work                           | <b>E</b>   | Painter pants                  | <b>T</b>   | Shin guards and padding        |
| <b>T</b>   | Goggles (except prescription)* | <b>T</b>   | Party costumes                 | <b>E</b>   | Shirts                         |
| <b>E</b>   | Golf dresses                   | <b>T</b>   | Personal flotation devices     | <b>E</b>   | Shirts (hooded)                |
| <b>E</b>   | Golf jackets                   | <b>E</b>   | Ponchos                        | <b>E</b>   | Shoe inserts                   |
| <b>E</b>   | Golf shirts                    | <b>T</b>   | Pot holders                    | <b>E</b>   | Shoe laces                     |
| <b>E</b>   | Golf skirts                    | <b>E</b>   | Prom dress (unless rented)     | <b>E</b>   | Shoes (generally)              |
| <b>T</b>   | Golf purse                     | <b>E</b>   | Protective aprons              | <b>T</b>   | ballet                         |
| <b>T</b>   | Graduation caps and gowns      | <b>T</b>   | Protective masks (athletic)    | <b>T</b>   | bicycle                        |
| <b>E</b>   | Gym suits                      | <b>E</b>   | Rain jackets                   |            | Shoes (cont'd)                 |
| <b>E</b>   | Hand muffs                     | <b>E</b>   | Rain suits                     | <b>E</b>   | boat                           |
| <b>T</b>   | Handbags/purses                | <b>E</b>   | Rain wear                      | <b>T</b>   | bowling                        |
| <b>E</b>   | Hats                           | <b>E</b>   | Receiving blankets             | <b>T</b>   | cleated                        |
| <b>T</b>   | Helmets                        | <b>E</b>   | Religious clothing             | <b>E</b>   | flip-flops (rubber thongs)     |
| <b>E</b>   | Hosiery (panty hose and peds)  | <b>E</b>   | Rented uniforms (unless formal | <b>T</b>   | football                       |
| <b>T</b>   | Ice skates                     |            | wear/costume)                  | <b>T</b>   | golf                           |
| <b>E</b>   | Insoles                        | <b>E</b>   | Repairing of wearing apparel   | <b>T</b>   | jazz/dance                     |
| <b>E</b>   | Jeans                          | <b>E</b>   | Riding pants                   | <b>E</b>   | jellies                        |
| <b>E</b>   | Jogging suits                  | <b>E</b>   | Robes                          | <b>E</b>   | rubber                         |
| <b>E</b>   | Lab coats                      | <b>T</b>   | Roller blades                  | <b>E</b>   | running (without cleats)       |
| <b>E</b>   | Leg warmers                    | <b>T</b>   | Roller skates (boot and screw- | <b>E</b>   | safety (suitable for everyday  |

**January 17 - 23, 1998 Exemption on Clothing and Footwear**

**T = Taxable**  
**E = Exempt**

| <b>T/E</b> | <b>ITEM</b>                                | <b>T/E</b> | <b>ITEM</b>   | <b>T/E</b> | <b>ITEM</b>  |
|------------|--|------------|---|------------|--|
|            | use)                                       | <b>E</b>   | Support hosiery   | <b>E</b>   | fabrics  |
| <b>E</b>   | sandals                                    | <b>E</b>   | Suspenders  |            | Yard goods, yarn and sewing accessories  |
| <b>E</b>   | sneaker and tennis                         | <b>E</b>   | Sweat suits   |            | knitting yarns   |
| <b>T</b>   | soccer (cleated)                           | <b>E</b>   | Tennis (dresses, hats, shorts, skirts, sneakers, shoes) | <b>E</b>   | lace   |
| <b>T</b>   | tap dance                                  |            |   | <b>E</b>   | patches: cloth, denim, embroidered, iron- on, leather, etc.                            |
| <b>T</b>   | track and cleats                           | <b>E</b>   | Ties (men's/women's)                                    | <b>E</b>   |  |
| <b>E</b>   | wading/water sport                         | <b>E</b>   | Tights  |            |  |
| <b>T</b>   | Shooting glasses                           | <b>E</b>   | Tuxedo (unless rented)                                  |            |  |
| <b>E</b>   | Shoulder pads (for dresses, jackets, etc.) | <b>T</b>   | Umbrellas   |            |  |
| <b>T</b>   | Shoulder pads (football, hockey, etc.)     | <b>E</b>   | Underclothes  | <b>T/E</b> | <b>ITEM</b>  |
| <b>T</b>   | Shower caps                                | <b>E</b>   | Uniforms (police, fire, nurses, mechanics, postal)      |            | Yard goods, yarns and sewing accessories (continued)                                   |
| <b>E</b>   | Ski jackets                                | <b>T</b>   | Water ski vests   | <b>E</b>   | ribbons  |
| <b>E</b>   | Ski masks                                  | <b>T</b>   | Wet and dry suits                                       | <b>E</b>   | seam binding and bias tape   |
| <b>E</b>   | Ski suits (one-piece)                      | <b>T</b>   | Wigs  | <b>E</b>   | thread   |
| <b>E</b>   | Ski sweaters                               | <b>E</b>   | Work clothes  | <b>E</b>   | zippers  |
| <b>E</b>   | Ski warm-up pants                          | <b>E</b>   | Work uniforms   | <b>T</b>   | yard goods, yarns and sewing accessories (not an integral part of clothing)            |
| <b>E</b>   | Sleepwear - (nightgowns/pajamas)           | <b>E</b>   | Yard goods (cloth and material to make clothing)        |            | chalk  |
| <b>E</b>   | Slippers                                   | <b>E</b>   | Yard goods, yarn and sewing (generally)                 | <b>T</b>   | fabrics and yarns (used to make items other than apparel, such as rugs, pillows, etc.) |
| <b>E</b>   | Soccer socks                               | <b>T</b>   | basting thread  |            | instruction books  |
| <b>E</b>   | Socks                                      | <b>E</b>   | bra and slip repair                                     |            | knitting needles   |
| <b>T</b>   | Sports helmets                             | <b>E</b>   | buttons   |            | measuring tapes  |
| <b>E</b>   | Sports uniforms                            | <b>E</b>   | elastic   | <b>T</b>   |  |
| <b>T</b>   | Sunglasses (except prescription)*          | <b>E</b>   | fabric adhesives/glue                                   | <b>T</b>   |  |
|            |  | <b>E</b>   | fabric paint  | <b>T</b>   |  |

**January 17 - 23, 1998 Exemption on Clothing and Footwear**



**T = Taxable**  
**E = Exempt**

-8-

TSB-M-97(14)S  
Sales Tax  
December 23, 1997

**T**      needles  
**T**      patterns  
**T**      scissors  
**T**      straight pins  
**T**      thimble

Items with an asterisk (\*) e.g., adult diapers and arch supports, etc., are included in the list of taxable and exempt items. These items are **not** to be reported on Schedule H. They are currently exempt and will remain exempt after the one-week exemption period for certain clothing and footwear items. See Publication 882, *Taxable Status of Medical Equipment and Supplies*.