



Health and Fitness Clubs

Introduction

The purpose of this bulletin is to identify which fees or charges by health and fitness clubs are subject to all state and local sales taxes, and which ones are subject only to the New York City local sales tax. *Health and fitness clubs* are generally facilities that provide customers or members with access to exercise equipment. Pilates, aerobics, and fitness studios, weight reducing salons, spas, gyms, saunas, Turkish baths, tanning salons, and similar businesses are examples of health and fitness clubs.

New York State and local sales taxes on dues and membership fees

Dues or membership fees paid to health and fitness clubs are **not** subject to New York State sales tax and are not subject to local sales taxes if the club is located outside New York City.

New York State makes a distinction between *health and fitness clubs* and *athletic clubs*. New York State and local sales taxes are imposed on dues and membership fees paid to any *athletic club* in the state. An *athletic club* is any club or organization whose material purpose or activity is the practice, participation in, or promotion of any sports or athletics (for example, a Judo club or curling club). However, a facility that provides steam baths, saunas, rowing machines, or other exercise equipment, or that promotes exercising solely for health or weight reduction purposes, as contrasted to sports, is not considered to be an athletic club. To learn more about dues paid to athletic clubs, see [TSB-M-83\(19\)S](#), *Dues For Membership in Social or Athletic Clubs*.

New York City local sales tax

New York City imposes its local sales tax on every sale of services by weight control salons, health salons, gymnasiums, Turkish and sauna baths, and similar facilities, including any charge for the use of these facilities. This tax does not apply to any of these facilities located outside of New York City. Therefore, dues, membership and initiation fees, and any charges paid for the use of these facilities located in New York City are subject to the New York City local sales tax.

However, if a facility also provides access to participant sporting activities and facilities, such as a swimming pool or racquetball courts, to its members, the facility is not considered to be a weight control salon, health salon, gymnasium, or other establishment for New York City sales tax purposes. See [MP Sports Club Upper Eastside LLC, Adv Op Comm T&F, February 14, 2008, TSB-A-08\(10\)S](#) and [The Paris Health Club, Inc., Adv Op Comm T&F, February 14, 2008, TSB-A-08\(12\)S](#).

Yoga facilities in New York City

Facilities in New York City that offer **only** instruction in various yoga disciplines are not considered to be weight control salons, health salons, or gymnasiums. As a result, charges by these facilities for yoga classes are not subject to the New York City local sales tax. See [NYT-G-12\(1\)S](#), *Application of State and Local Sales Tax to Facilities that*

Provide Yoga Instruction. Charges to customers for the use of any tangible personal property (such as yoga mats, etc.) are subject to both State and local sales taxes.

Charges for yoga instruction by a facility that otherwise qualifies as a weight control salon, health salon, or gymnasium (e.g., a facility that also offers its customers access to exercise equipment or to Pilates or aerobics classes) **are subject** to the New York City local sales tax.

Other separate charges by health and fitness clubs

In addition to dues or membership fees, health and fitness clubs may charge customers separately for other items and services. Charges for the following are examples of charges that are subject to State and local sales taxes regardless of where in New York State the club is located:

- locker fees;
- water or water bottles;
- gym bags, towels, training aids, etc.;
- food sold from a snack bar or restaurant facility; and
- items sold from vending machines (other than candy, fruit drinks and soft drinks sold for \$1.50 or less, and heated beverages).

Charges for the following are exempt from both State and local sales taxes if the club is located outside of New York City. However, charges for the following are exempt from the State sales tax but are subject to the New York City local sales tax if the club qualifies as a weight control salon, health salon, gymnasium, or other establishment, and is located in New York City:

- aerobic, Pilates or other exercise classes;
- child care services;
- fitness and wellness workshops;
- guest access;
- personal training services;
- use of a spa and services provided by persons who are not medical professionals (such as massage, facials, and body treatments); and
- tanning services.

Sales by a club of food supplements, appetite suppressants, etc., are exempt from both State and local sales taxes. See Tax Bulletin [Dietary Foods and Health Supplements \(TB-ST-160\)](#) for additional information.

Purchases by health and fitness clubs

All purchases of taxable items for use in a health or fitness club are subject to tax unless purchased for resale to customers. If a health or fitness club is not charged tax by a seller on purchases of taxable items not intended for resale, the club must pay the unpaid sales tax or use tax. See Tax Bulletin [Use Tax for Businesses \(TB-ST-910\)](#).

Coupons and discounts

The tax due on a taxable item or service is based on the price paid by the customer after deducting a discount or coupon issued by the health or fitness club. However, if a customer uses a manufacturer's coupon to purchase a product, the tax is computed on the price for the item before subtracting the coupon. See Tax Bulletin [Coupons and Food Stamps \(TB-ST-140\)](#).

Exempt purchasers

Certain purchasers are exempt from tax on their purchases. The seller must receive the appropriate exemption document from exempt purchasers and keep records of these

exempt sales. The seller must be able to associate the exemption document with the exempt sale. In general, these records must be kept for a period of three years from the due date of the return to which they relate. See Tax Bulletin [Exemption Certificates for Sales Tax \(TB-ST-240\)](#).

Note: A Tax Bulletin is an informational document designed to provide general guidance in simplified language on a topic of interest to taxpayers. It is accurate as of the date issued. However, taxpayers should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Tax Bulletin. The information provided in this document does not cover every situation and is not intended to replace the law or change its meaning.

References and other useful information

Tax Law: Sections 1105(f) and 1212-A(a)(2)

Regulations: Section 527.11

Memorandum:

[TSB-M-83\(19\)S](#), *Dues For Membership in Social or Athletic Clubs*

[TSB-M-14\(7\)S](#), *Increase in the Exemption for Vending Machine Sales of Certain Food and Drink*

Publication: [Publication 750](#), *A Guide to Sales Tax in New York State*

Advisory Opinions:

[TSB-A-08\(10\)S](#), *MP Sports Upper Eastside, LLC*

[TSB-A-08\(12\)S](#), *The Paris Health Club, Inc.*

Tax Guidances: [NYT-G-12\(1\)S](#), *Application of State and Local Sales Tax to Facilities that Provide Yoga Instruction*

Bulletins:

[Coupons and Food Stamps \(TB-ST-140\)](#)

[Exemption Certificates for Sales Tax \(TB-ST-240\)](#)

[Sales Tax Credits \(TB-ST-810\)](#)

[Use Tax for Businesses \(TB-ST-910\)](#)