



New York City Health and Fitness Facilities

Introduction

This bulletin explains how New York City's local sales and use taxes (sales tax) apply to health and fitness facilities.

Health and fitness facilities

New York City imposes a local sales tax on charges by health and fitness facilities to their customers. Health and fitness facilities generally provide customers or members with access to exercise or fitness programs. Such programs include Pilates, aerobics, and fitness classes, weight reducing salons, spas, saunas, Turkish baths, and similar services. Health and fitness facilities also include establishments that offer customers access to facilities for participating in sports, such as swimming pools or basketball or racquetball courts.

Charges for the use of health and fitness facilities in New York City

New York City's local sales tax on health and fitness facilities applies to all charges by these facilities, including all charges for dues, membership, or initiation fees. Taxable services include:

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

If you operate a facility that qualifies as a health and fitness facility in New York City, you must register for sales tax purposes, collect tax, and report these sales as instructed on your sales tax returns. Charges for the use of health and fitness facilities located outside New York City are not subject to sales tax.

Yoga instruction

A facility that provides yoga instruction **only** is not considered a health and fitness facility. See [NYT-G-12\(1\)S](#), *Application of State and Local Sales Tax to Facilities that Provide Yoga Instruction*. However, if yoga classes are taught in a facility that also provides exercise equipment or Pilates classes and otherwise qualifies as a health and fitness facility, the charges for yoga instruction are subject to New York City's local sales tax.

Other charges

Charges for the following items are subject to state and local sales taxes regardless of the type or location of the facility:

- locker fees;
- bottles for water or other beverages;
- bottled water;
- yoga mats;
- gym bags, towels, training aids, etc.;
- food sold from a snack bar or restaurant facility; and
- certain items sold from vending machines. See Tax Bulletin [Food and Beverages Sold from Vending Machines \(TB-ST-280\)](#) for more information.

If you sell tangible personal property **anywhere** in New York State, you must register for sales tax purposes, collect tax, and report these sales as instructed on your sales tax returns.

Note: Sales 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

You may purchase products that you intend to resell to your customers, such as yoga mats, bottles for water or other beverages, gym bags, towels, fitness apparel, and training aids, without paying sales tax by giving your supplier a properly completed [Form ST-120, Resale Certificate](#).

All purchases of equipment for use in your business are subject to state and local sales tax at the time of purchase. This includes purchases of:

- weight machines, free weights, racks and benches;
- treadmills, elliptical machines, and stationary bicycles;
- aerobic steps, stability balls, and stretch bands;
- massage tables, saunas, and whirlpools; and
- lockers.

Any products you buy to be used in providing your services cannot be purchased for resale, and you must pay state and local sales tax to your supplier at the time of purchase. Additionally, any items you buy for resale that you later use in providing your services are subject to state and local use tax. For more information, see Tax Bulletin [Use Tax for Businesses \(TB-ST-910\)](#).

Example: *The owner of a fitness facility keeps an inventory of various products available for retail sale to his customers. Occasionally, he takes some of those products, such as towels, out of inventory for use by the fitness facility. The owner must pay state and local use tax on his cost for the products taken from inventory and used by the facility.*

Athletic clubs

Dues and membership fees paid to an athletic club are subject to New York State and local sales taxes. To be considered an athletic club, the club must be organized such that its members have an extensive role in the operation of the club. For example, a club whose members:

- plan and control the club's activities,
- select and approve new members,
- participate in management of the club, or

- have a proprietary ownership interest in the club,

is an athletic club whose dues and membership fees are subject to sales tax.

Athletic clubs may include:

- tennis clubs,
- golf clubs,
- boating clubs,
- skating clubs,
- curling clubs, and
- any other organization that practices or promotes athletics or sports.

A club owned by a private operator where members pay a seasonal fee to belong to the club and do not have any role in operating the club is not considered to be an athletic club, and any fees paid for membership are not subject to sales tax. Also, a facility that provides exercise or other equipment, or that promotes exercising **solely** for health or weight reduction purposes, is not considered to be an athletic club. See [TSB-M-83\(19\)S](#), *Dues For Membership in Social or Athletic Clubs*, for more information.

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

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

Regulations: Section 527.11

Advisory Opinion: [TSB-A-20\(25\)S](#), Whether Petitioner's receipts from services provided at its health and fitness facilities are subject to New York City local sales tax