

# Minnesota Sales Tax and Your Sewing Purchases

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I'm happy that Minnesota is one of only 5 states that fully exempt clothing from sales tax. Following that logic, fabric that is used to construct clothing should not be taxed. I have found that this is not always the case.

This spring, I bought 4 yards of a lovely linen/rayon blend that was on clearance at my local Walmart in Stillwater. I had plans to sew pinafores for 2 little girls. I was the only thing on my receipt. Since it was \$4.00 per yard, I pulled out the \$16.00 for the total that I was anticipating. The cashier told me my total was \$17.14. I stated that since it was for clothing, it should not have any sales tax. She replied that she had no way to exempt the item from tax. Of course, I asked to speak with a manager.

That exchange didn't go well. The manager told me that they tax all fabric, since they have no way of knowing if the fabric was truly being used for clothing. She said the decision to tax comes from their head office and they had no way to back it out. Well, THAT did not make me happy. I googled the Minnesota Sales Tax Fact Sheet #105, pertaining to clothing and showed her that in Minnesota, items used to construct clothing are not taxable, including fabric, thread, zippers, trims, buttons, etc. I told her that what they were doing was in violation of Minnesota law. I also informed her that I would be contacting the Minnesota Department of Revenue.

So I did. Attached, you will find an email that was sent to me to be carried when I go fabric shopping. Perhaps you will make a copy and carry it with you as well. DO NOT pay sales tax for your clothing fabric/notion purchases. Ms. McCowan at the Department of Revenue said the designation of whether a fabric is taxable lies with the consumer, NOT the retailer. If you use a quilting cotton to make a darling little girl's dress, that fabric is NOT taxable. I recently questioned Sam, the assistant manager of the Woodbury Joann store. Happily, she told me that they recently had a meeting about that very topic and would gladly exempt purchases that erroneously triggered sales tax. She said that they had not had a chance to actually practice the process with a customer, but the procedures are documented. So, I anticipate that I WILL be purchasing a quilting cotton for some dresses and give them a bit of experience!

So, pay attention to your purchases. While I have absolutely no problem paying my fair share of taxes, I also expect that retailers in our state should be up on the laws that regulate them. If you would like to check out the sales tax fact sheet that I referenced, please go to <http://www.revenue.state.mn.us/businesses/sut/factsheets/FS105.pdf> . It is 3 pages, too long to be included in the newsletter. Happy shopping to you!

(This sales tax fact sheet has been updated since this article was written. The current fact sheet is on our website, revised September 2019)