

## Taxable and Exempt Foods and Beverages Sold at Retail Food Markets and Similar Establishments

The Tax Law exempts from sales and use taxes, food, food products, dietary foods, health supplements and certain beverages (liquid, frozen or solid) sold for human consumption, when sold in the same form and condition, quantities and packaging as is commonly used by retail food stores or similar establishments such as bakeries or produce stands. (See page 2 for information regarding eligible food purchases made with food stamps.)

This exemption does not apply to the sale of candy and confections; alcoholic beverages; soft drinks, fruit drinks\*\*, sodas or beverages such as are ordinarily dispensed at soda fountains; nor does it apply to heated or prepared meals (hot or cold sandwiches, self-service salad bars, etc.); or any food or beverages sold for on-premises consumption, even when sold by a retail food store.

Note: Since restaurants, taverns or similar establishments generally sell only prepared meals and beverages, they do not qualify for the exemption stated previously and must therefore collect sales tax on their sales. However, if the establishments provide both restaurant meals and food or beverages that are ordinarily sold by food markets (e.g., bakeries, delicatessens, etc.) they do not have to collect sales tax on the exempt food or beverages sold for off premises consumption. Vendors in this position must keep accurate records of the sales of food or beverages that qualify for exemption. See note under food stamp purchases.

Listed below are some examples of foods and beverages that would be taxable or exempt when sold at retail food markets and similar establishments. Any brand name product shown in italics is included as an example and is not to be construed as an endorsement of the product. This list is intended to be used as a guide for cashiers in the collection of sales tax. Questions about items not included should be referred to the store manager or to the Taxpayer Assistance Bureau.

### Exempt Foods and Beverages

Artificial sweeteners  
Baby food  
Bakery products  
Baking products  
Cereals  
*Chicory*  
Chocolate (for baking)  
*Clamato Juice Cocktail*  
Cocoa  
Coffee  
Coffee creamers  
Condiments  
Cookies  
Diet substitutes  
Diet supplements  
Dressings  
Eggs and egg products  
Fats  
Flavoring preparations  
Food colors  
Frozen desserts  
Fruit juices"  
Fruit rollups

Grain products  
Granola Bars  
Gravies  
Health Bars  
Health supplements  
Herbs  
Ice Cream (prepackaged)  
Iced Tea (frozen or canned)  
Iced tea mix  
Instant breakfast mix  
Jelling agents  
Leavening agents  
Liquid diet food  
Marshmallow fluff  
Marshmallows (all sizes)  
Meats and meat products  
Milk and milk products  
Nonstick cooking sprays  
Nuts and nut products  
Oils (cooking, salad)  
*Ovaltine*  
Peanutst  
Popcorn  
Potato chips

Poultry and poultry products  
Preservatives  
Pretzelst.  
*Quik*  
Relishes  
Sauces  
Seafoods  
Seasonings  
*Slim Fast*  
Spices  
Starch (for cooking)  
*Start*  
Sugar  
Sugar substitutes  
Syrups  
*Tang*  
Tea  
*V-BJuice*  
Vegetable juices  
Vegetable and vegetable products  
Vitamins

### Taxable Foods and Beverages

*Awake*  
Beer  
Bottled water  
candy and confectionery  
Candied apples  
Caramels  
Carbonated beverages  
Carbonated beverages (dietetic)  
Chewing gum  
Chocolate (candy)  
Coated candies

Cocktail mixes  
Collins mixer  
Cranberry juice cocktail  
Dietetic candy  
French burnt  
peanuts  
Fruit drinks\*\*  
Fudges  
*Gatorade*  
*Hi-C*  
Ice cubes  
*Jordan Almonds*

*Kool Aid*  
Lemonade  
Licorice  
Maple sugar candy  
*Orange crush*  
Pet food. and supplies  
Soft drinks  
Soft drinks (dietetic)  
Vichy water  
*Yoo Hoo* (assorted flavored soda)

" Containing at least 70% natural fruit juice.  
Provided they are not candy-or sugar-coated or sold heated.

\* Containing less than 70% natural fruit juice -drinks, ades, punches, fruit nectars.  
Sugar-, chocolate-or candy-coated nuts, raisins, malted milk balls and similar products.