

## **TEXAS SALES AND USE TAX HOLIDAY**

The sale of most articles of clothing or footwear of less than \$100, taking place during the period beginning at 12:01 a.m. on the third Friday in August and ending at 12 midnight on the following Sunday, is exempt from Texas Sales and Use Tax. However, the Comptroller's Office has again changed the dates to August 21 – 23, 2009.

This could save shoppers about \$8 on every \$100 they spend.

Customers will receive the break on individual items, regardless of the total amount they buy. For example, sales tax is not due if a customer buys six shirts each priced at \$99.99. But full tax is due on a shirt sold for \$100; the first \$99.99 cannot be exempted.

Another example of items which would not be subject to sales tax include backpacks (under \$100, as described above). Items that will not receive a tax break include: luggage, briefcases, and athletic/gym bags.

For a detailed explanation of the rules, please see the Texas Comptroller's website at [http://www.window.state.tx.us/taxinfo/taxpubs/tx98\\_490/tx98\\_490.html](http://www.window.state.tx.us/taxinfo/taxpubs/tx98_490/tx98_490.html). Also, this address contains an extensive list of products that are taxable or exempt for the Texas sales tax holiday.