

**Sales Tax on Shipping Charges as of July 2, 2012**

The following chart indicates whether shipping and postage charges in conjunction with the sale of tangible personal property are included in the tax base.

Jurisdiction	Shipping Charges	Comment	Citation
Alabama	Excluded if (1) charges are separately stated and paid by the purchaser, and (2) delivery is by common carrier or the U.S. Postal Service.	Transportation charges are not separate and identifiable if included with other charges and billed as "shipping and handling" or "postage and handling."	Ala. Admin. Code 810-6-1-.178
Arizona	Excluded if charges are separately stated.		Ariz. Admin. Code R15-5-133
Arkansas	Included	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property. Charges billed to buyer by a carrier other than the seller are excluded.	Ark. Reg. GR-18
California	Excluded if charges are separately stated and delivery is made directly to the purchaser by independent contractor, common carrier or the U.S. Postal Service.	Charges imposed by the seller to transport property, and property sold for a "delivered price," are not subject to tax, provided that (1) delivery charges are stated as a separate entry on the invoice or other bill of sale; and (2) goods are shipped to the purchaser via U.S. mail, independent contractor, or common carrier, rather than the seller's vehicles; and (3) transportation occurs after the property is sold. Tax does not apply to separately stated charges for transportation of land fill material if (1) the charges are reasonable; (2) consideration received is solely for the transport of the material to a specific site; and (3) the material is transferred without charge.	18 CCR 1628
Colorado	Excluded if charges are (1) separable from the sales transaction, and (2) separately stated.		Special Reg. 18
Connecticut	Included	Charges to deliver exempt items are excluded.	Conn. Gen. Stat. 12-407 (a)(8)
District of Columbia	Excluded if charges are separately stated and delivery occurs after the sale.		D.C. Code Ann. 47-2001(p)(1)
Florida	Excluded if charges are (1) separately stated, and (2) optional.	Separately stated charges for transportation after title passes to the buyer are also excluded.	Fla. Admin. Code Ann. 12A-1.045
Georgia	Included		Ga. Code Ann. §48-8-2(34)(A) Ga. Code Ann. §48-8-2(10) Ga. Comp. R. & Regs. 560-12-2-.45
Hawaii	Included	Charges for items shipped outside the state are excluded.	Haw. Rev. Stat. §237-3(a) Haw. Rev. Stat. §237-13(1)(C)
Idaho	Excluded if charges are separately stated.	Charges by a manufactured homes dealer to transport the home to a buyer are included.	Idaho Code §63-3613(b)(7)
Illinois	Excluded if charges are separately contracted.		Ill. Admin. Code tit. 86, §130.415
Indiana	Included	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property.	Ind. Code §6-2.5-1-5(a)(4)
Iowa	Excluded if charges are separately contracted for and separately stated.	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property.	Iowa Code §423.1(47)
Kansas	Included	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property.	Kan. Stat. Ann. §79-3602(II)
Kentucky	Included		Kan. Admin. Regs. 92-19-46(b) Ky. Rev. Stat. Ann. §139.010(4)
Louisiana	Excluded if charges are separately stated and delivery occurs after the sale.		La. Admin. Code tit. 61, §4301
Maine	Excluded if (1) shipment is made direct to the purchaser, (2) charges are separately stated, and (3) the transportation occurs by means of common carrier, contract carrier or the United States mail.		Me. Rev. Stat. Ann. tit. 36, §1752(14)(B)(7)
Maryland	Excluded if charges are separately stated.		Md. Code Ann. §11-101
Massachusetts	Excluded if charges (1) reflect the costs of preparing and delivering goods to a location designated by the buyer, (2) are separately stated on the invoice to the buyer, and (3) are set in good faith and reasonably reflect the actual costs incurred by the vendor.		Department of Revenue Directive 04-5, Massachusetts Department of Revenue, July 7, 2004
Michigan	Included	Charges are excluded: (1) if the retailer is engaged in a separate delivery business; or (2) if incurred after the transfer of ownership. If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property.	Mich. Comp. Laws §205.51(1)(d) RAB 2002-11 Mich. Admin. Code R205.124
Minnesota	Included	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge on the basis of the sales price or weight of the property being delivered and must tax the percentage allocated to the taxable property.	Minn. Stat. §297A.61(7)(a)
Mississippi	Included		Revenue Notice 05-13 Miss. Rule 35.IV.2.03
Missouri	Excluded if charges are (1) separately stated, and (2) optional.		Mo. Code. Regs. Ann. tit. 12, §10-103.600
Nebraska	Included	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property.  Delivery charges are exempt when the charges relate to the sale of exempt property or the purchaser paid the delivery charge to a delivery/freight company separately.	Neb. Rev. Stat. §77-2701.16(1)
Nevada	Excluded if (1) charges are separately stated, and (2) title passes to the purchaser before shipment pursuant to a written agreement.	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property.	Nev. Admin. Code ch. 372, §101
New Jersey	Included	Regardless if separately stated. Delivery charges are not taxable if the sale itself is not taxable.	N.J. Admin. Code tit. 18, §18:24-27.2
New Mexico	Included	If the transportation costs are paid by the seller to the carrier.	N.M. Admin. Code tit. 3, §2.1.15
New York	Included	Separately stated charges to ship promotional materials are excluded.	N.Y. Tax Law, §1101 N.Y. Tax Law, §1115(n)(3)
North Carolina	Included	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property.	N.C. Gen. Stat. §105-164.3(37) Sales and Use Tax Technical Bulletin Sec. 38-2, North Carolina Department of Revenue
North Dakota	Included	Shipping charges are excluded if the product being shipped is exempt. If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property.	N.D. Cent. Code §57-39.2-01(6) and (17) N.D. Admin. Code §81-04.1-01-10
Ohio	Included	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property. Charges paid by customer to delivery company (not imposed/collected by retailer) are not taxable.	Ohio Rev. Code Ann. §5739.01(H)(1)(a)(iv)
Oklahoma	Included	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property. Excluded where separately stated.	Okla. Stat. tit. 68, §1352(12)
Pennsylvania	Included	Charges made in conjunction with nontaxable transactions are excluded. Charges for delivery made and billed by someone other than seller of item being delivered not taxable.	72 P.S. §7201(g)(1) 61 Pa. Code §54.1
Rhode Island	Included	Delivery charges paid by buyer to an independent third-party hired by buyer are excluded.	R.I. Gen. Laws §44-18-12(a)(iv)
South Carolina	Included	Charges for transportation after title has passed to the purchaser are excluded.	11 S.C. Code Ann. Regs. 117-310
South Dakota	Included	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property. Freight charges paid directly to freight company (not to seller) by purchaser are exempt.	S.D. Admin. R. 64:06:02:34
Tennessee	Included	Delivery charges paid by buyer to an independent third-party hired by buyer are excluded.	Tenn. Code Ann. §67-6-102
Texas	Included	Shipping charges incident to the sale or lease/rental of taxable tangible personal property or the performance of taxable services that are billed by the seller/lessor to the purchaser/lessee are taxable. A third-party carrier that only provides transportation and does not sell the item being delivered is not responsible for collecting tax.	Tex. Tax Code Ann. §151.007
Utah	Excluded if charges are separately stated.	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property. Transportation by common carrier is exempt.	Utah Code Ann. §59-12-102(82)(c)
Vermont	Included		Vt. Stat. Ann. tit. 32, §9701(4), (26)
Virginia	Excluded if charges are separately stated.		Va. Code Ann. §58.1-609.5 23 Va. Admin. Code §10-210-6000
Washington	Included	Charges incurred after purchaser has taken receipt of the goods and charges to deliver exempt items are excluded.	Wash. Admin. Code §458-20-110
West Virginia	Included	Excluded if (1) separately stated, (2) delivery is by common carrier, and (3) customer pays the delivery charge directly to the carrier.	W. Va. Code §11-15B-2(b)(48)(A)
Wisconsin	Included.	Separately stated delivery charges for direct mail excluded.  Allocation permitted if shipment includes both exempt and taxable property.	Wis. Stat. §77.51(15b)(a)4. Wis. Stat. §77.51(15b)(b)4.
Wyoming	Excluded	If shipment includes both exempt and taxable property, the seller should allocate the delivery charge and must tax the percentage allocated to the taxable property.	Wyo. Stat. Ann. §39-15-105(a)(ii)(A)

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