

New Mexico Sales Tax Holiday
August 2017
BACK TO SCHOOL

Summary

General Overview:

- The sales tax holiday will start at 12:01 a.m. on **Friday, August 4, 2017** and end at midnight on **Sunday, August 6, 2017**.
- The holiday will provide relief (no tax due) from all State and local sales or use taxes.
- The holiday will provide sales tax relief on purchases of **school supplies, computers, computer accessories** and **clothing**, subject to the limitations set forth below.
- The exemptions are intended for individuals and their personal use. The exemptions do not apply for use in a trade or business.
- Additional information regarding the holiday can be found at:
<http://www.tax.newmexico.gov>

School Supplies Exemption:

- The exemption applies to school supplies with a sales price of **under \$30** that students normally use in a standard classroom for educational purposes (see below for list of non-taxable items).
- Some school items have specific price limitations:
 - Backpacks (for school) – **under \$100**
 - Calculators – **under \$200**
 - Maps and globes – **under \$100**

Computer and Computer Related Items Exemption:

- The exemption applies to desktop, laptop, notebook or tablet computers with a sales price of **up to \$1,000** (see below for list of non-taxable items).
- The exemption also applies to any associated monitor, speaker or set of speakers, printer, keyboard, microphone, or mouse with a sales price of **up to \$500** (see below for list of non-taxable items).

Clothing Exemption:

- The exemption applies to clothing and footwear with a sales price of **less than \$100 per item** (see below for list of non-taxable items).
- Accessories and special clothing or footwear primarily designed for athletic activity or protective use and not normally worn beyond the scope of the athletic activity or protective use are taxable.

EXEMPT SCHOOL SUPPLIES (UNDER \$30) & OTHER SCHOOL ITEMS (*price limitations listed below*)

- Assignment books
- Backpacks (for school) – **under \$100**
- Binders
- Binder clips
- Blue books
- Book bags
- Book covers
- Book markers
- Books (for school) – **under \$30**
- Calculators – **under \$200**
- Canvas for oil painting
- Cellophane (transparent) tape
- Chalk
- Chalkboard erasers
- Clipboards
- Construction paper
- Correction tape, fluid, or pens
- Colored pencils
- Compasses
- Composition books
- Crayons, watercolors and other art supplies
- Daily planners
- Data storage devices, such as CD drives
- Divider folders
- Erasers
- File jackets
- Flash cards
- Folders
- Glue and glue refills (stick and liquid)
- Graph paper
- Highlighters
- Index cards

- Labels
- Loose-leaf binders
- Maps and globes - **under \$100**
- Markers
- Masking tape
- Memo pads
- Modeling clay
- Notebook filler paper
- Notebooks
- Oil paints
- Paper (notebook or printer)
- Paste
- Pen ink
- Pencil box
- Pencil erasers
- Pencil lead
- Pencil sharpener
- Pencils, including mechanical and refills
- Pens, including felt, ballpoint, fountain, and refills
- Portfolios
- Poster board
- Poster paper
- Legal pads
- Lunch boxes
- Protractors
- Rulers
- Scissors
- Sheet protectors
- Staplers and staples
- Tape and tape refills and dispenser
- USB flash drives; thumb drives
- Watercolor paint set
- ZIP drives

EXEMPT COMPUTERS (LESS THAN \$1,000) AND COMPUTER-RELATED ITEMS (LESS THAN \$500)

- CD (blank)
- Central processing unit
- Computer (desktop, laptop, notebook, and tablet)
- Computer cables
- Computer disks (floppies and blank CDs)
- Computer hard drive
- Computer ink cartridges

- Computer keyboards
- Computer memory equipment
- Computer memory equipment (disks, flash/thumb drives)
- Computer microphones
- Computer modems
- Computer monitor
- Computer motherboards
- Computer mouse
- Computer paper
- Computer printer
- Computer speakers
- Computer Zip drives
- E-Readers (if the model has computing functions such as word processing, spreadsheets, etc.)
- Printer paper
- Tablet Computers

EXEMPT CLOTHING, FOOTWEAR AND ACCESSORIES (LESS THAN \$1,000)

- Aerobic clothing
- Antique clothing (for wear)
- Aprons/Clothing shields
- Athletic socks
- Baby clothes
- Baby diapers
- Belts with buckles attached
- Belts without buckles
- Bibs
- Blouses
- Boots, general purpose (winter, dress, cowboy)
- Bow ties
- Bowling shirts
- Bras
- Bridal apparel, sold
- Bridal gowns and veils, sold
- Camp clothing
- Caps and hats, including sports
- Chef's uniforms
- Choir and altar clothing
- Clerical vestments
- Coats and wraps
- Corsets and corset laces
- Coveralls

- Cowboy boots
- Diapers (adult and baby, cloth or disposable)
- Dress gloves and shoes
- Dresses
- Ear muffs
- Employee uniforms, but not athletic or protective
- Formal clothing, sold
- Fur clothing, coats and stoles
- Galoshes
- Garters/garter belts
- Girdles, bras and corsets
- Gloves and mittens (generally), such as dress, winter and leather
- Golf clothing, caps, dresses, shirts, skirts, pants
- Graduation caps and gowns
- Hats (general purpose: cowboy, baseball, knit)
- Hosiery (panty hose, support, etc)
- Jackets
- Jeans
- Jerseys – other than athletic wear
- Jogging apparel
- Jogging bras
- Lab coats
- Leotards
- Lingerie
- Neckwear, including ties and scarves
- Nightgowns and night shirts
- Overshoes and rubber shoes
- Pajamas
- Pants
- Ponchos
- Prom dresses
- Raincoats, rain hats, and ponchos
- Religious clothing
- Robes
- Rubber thongs, flip-flops
- Running shoes, without cleats
- Sandals
- Scarves
- Shawls and wraps
- Shirts
- Shoe laces
- Shoes, general athletic
- Shoes without cleats

- Shorts
- Ski masks
- Skirts
- Slacks
- Sleepwear, nightgowns, pajamas
- Slippers
- Slips
- Sneakers
- Socks
- Stockings
- Suits, slacks, jackets, and sports coats
- Suspenders
- Sweat suits
- Sweaters
- Sweaters, sweatpants
- Tennis shoes
- Ties/neckwear
- Tights
- Trousers
- T-shirts
- Tuxedos, purchased
- Undergarments such as long johns
- Underwear
- Uniforms (occupational, military, scouting, school)
- Vest, except hunting and water
- Walking shoes
- Windbreakers

Guidelines:

Items Normally Sold As a Unit – Items usually sold in pairs, sets, boxes, cartons, cases or other quantity containers, or items sold as a package in a single transaction. Those items must continue to be sold as units during the holiday. They cannot be broken down, priced separately and sold as individual items to qualify for the deduction.

Gift Certificates – The retailer's sale of a gift certificate in and of itself is not taxable. If a gift certificate sold during the tax holiday is redeemed after the tax holiday ends, however, the retailer may not take the tax holiday deduction even for qualifying tangible personal property. The redemption opportunity closes when the tax holiday ends.

Exchanges and Refunds – Qualifying tangible personal property sold at retail during the tax holiday and exchanged at a later date for an item of the same price remains deductible.

Qualifying tangible personal property sold at retail during the tax holiday but later exchanged for an item of greater or lesser value is subject to the tax.

Internet, Mail Order and Telephone Sales – Receipts from the sale of eligible tangible personal property to persons with New Mexico billing addresses are deductible to the retailer when:

1. The item is both delivered to *and* paid for by the customer during the tax holiday period, or
2. The customer orders and pays for the item *and* the retailer accepts the order during the tax holiday, even if delivery of the item takes place after the tax holiday.