



Sales Tax Holiday Offers Valuable Break for Missouri Families

JEFFERSON CITY — It is hard to believe, but the back-to-school shopping season is closing in on us. And though there are few holidays in the month of August, families preparing for the school year will get a break this year, thanks to Missouri's sales tax holiday. The tax holiday, now an annual event in Missouri, will take place the first weekend of August and offer needed savings for families with school-aged children.

Beginning at 12:01 a.m. Friday, Aug. 4, and ending at midnight Sunday, Aug. 6, back-to-school supplies, such as clothes, backpacks and computers, will be exempted from the state sales tax, which is currently 4.225 percent. Local governments also have the option to participate in rescinding local taxes, which vary among cities and counties.

The sales tax exemption applies to the following purchases:

- Clothing – any article having a taxable value of \$100 or less
- School supplies – not to exceed \$50 per purchase
- Computer software – taxable value of \$350 or less
- Personal computers – not to exceed \$3,500
- Computer peripheral devices – not to exceed \$3,500

Although some cities and counties have chosen not to exempt their local taxes during the 2006 holiday, past tax holidays have proven a success for participating communities. According to the Missouri Chamber of Commerce, any sales tax revenue losses were made up by retail sales of non-exempt merchandise, restaurant and gasoline sales, and the additional revenue created by people crossing the state border to take advantage of the tax exemption.

I encourage all residents of Lincoln and St. Charles counties to take advantage of the sales tax holiday this Aug. 4-6. The tax break offers valuable incentives for consumers and fuels the economy as a whole.

If you have comments or questions about this week's column or any other matter involving state government, please do not hesitate to contact me. You can reach my office by phone at (866) 271-2844.

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