



# THE STOUFFER REPORT

Senator Bill Stouffer  
Senate District 21

Capitol Building, Room 332  
Jefferson City, MO 65101

For the Week of:  
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## A Tax Break for Consumers

*Missouri's Sales Tax Holiday — Aug. 3<sup>rd</sup> through 5<sup>th</sup>*

As August quickly approaches, many students will find their minds beginning to focus on the upcoming school year. Families will once again get the chance to save up to 9 percent at the cash register during the Missouri sales tax holiday, set for August 3-5. For many, this means hitting the stores to buy anything from new outfits to pencils and notebooks. Thanks to legislation passed in 2005, the three-day tax holiday is now an annual fixture on Missouri's calendar.

Beginning at 12:01 a.m. on Friday, August 3<sup>rd</sup>, and ending the following Sunday, August 5<sup>th</sup>, at midnight, back-to-school supplies will be exempted from state sales tax. Back-to-school supplies, which are usually taxed by the state at 4.225 percent, include clothes, school supplies, and computers, as well as their accessories. Local governments have the option of participating in the holiday by rescinding their city or county sales taxes. Depending on where you plan to shop, savings during the weekend could be as high as 9 percent.

The tax waiver applies to the following purchases:

- **Clothing** — any article (including footwear) having a taxable value of \$100 or less
- **School supplies** — any item normally used by students in the classroom, not to exceed \$50 per purchase
- **Computer software** — software with a taxable value of \$350 or less
- **Personal computers** — laptops, desktops, or tower computer systems not to exceed \$3,500
- **Computer peripheral devices** — devices designed for use with computers (disk drives, modems, etc.) not to exceed \$3,500

Although some cities and counties have chosen not to exempt their local taxes during the 2007 holiday, past tax holidays have proven a success for participating communities. According to the Missouri Chamber of Commerce, 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 into the state to take advantage of the tax exemption.

In the 21st Senate District, Chariton, Lafayette, Macon, and Ray counties, as well as a portion of Clay County, will participate in the sales tax holiday this year. For an exact listing of the cities and counties participating in the holiday, visit

<http://www.dor.mo.gov/tax/business/sales/taxholiday/> or call the Department of Revenue at (573) 751-2836.

If you have questions or comments about Missouri’s sales tax holiday or any other issue, please call my office toll free (866) 768-3987 or send me an e-mail at [bstouffer@senate.mo.gov](mailto:bstouffer@senate.mo.gov).

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