

**Sales Tax on Candy**

- Vermont currently exempts groceries from the sales tax.
- Candy is considered a grocery and is therefore exempt

2019 Session Estimate: \$3 million

**State Taxation of Candy**

States that apply sales tax to candy: 19

States that do not apply sales tax to candy: 29

**Blue shaded cells indicate a Streamlined Sales Tax State**

State	Tax Rate	Groceries in the sales tax base?	Candy part of Groceries?
Alabama	4%	Included in Sales Tax Base	Yes
Alaska	—	—	—
Arizona	5.60%	Exempt	Yes
Arkansas	6.50%	1.50%	No
California (a)	7.25%	Exempt	Yes
Colorado	2.90%	Exempt	No
Connecticut	6.35%	Exempt	No
Delaware	—	—	—
Florida	6%	Exempt	No
Georgia	4%	Exempt	Yes
Hawaii	4%	Included in Sales Tax Base	Yes
Idaho	6%	Included in Sales Tax Base	Yes
Illinois	6.25%	1%	No
Indiana	7%	Exempt	No
Iowa	6%	Exempt	No
Kansas	6.50%	Included in Sales Tax Base	Yes
Kentucky	6%	Exempt	No
Louisiana	5%	Exempt	Yes
Maine	5.50%	Exempt	No

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Maryland	6%	Exempt	No
Massachusetts	6.25%	Exempt	Yes
Michigan	6%	Exempt	Yes
Minnesota	6.875%	Exempt	No
Mississippi	7%	Included in Sales Tax Base	Yes
Missouri	4.225%	1.225%	Yes
Montana	—	—	—
Nebraska	5.50%	Exempt	Yes
Nevada	6.85%	Exempt	Yes
New Hampshire	—	—	—
New Jersey	6.625%	Exempt	No
New Mexico	5.125%	Exempt	Yes
New York	4%	Exempt	No
North Carolina	4.75%	Exempt	No
North Dakota	5%	Exempt	No
Ohio	5.75%	Exempt	Yes
Oklahoma	4.50%	Included in Sales Tax Base	Yes
Oregon	—	—	—
Pennsylvania	6%	Exempt	Yes
Rhode Island	7%	Exempt	No
South Carolina	6%	Exempt	Yes
South Dakota	4.50%	Included in Sales Tax Base	Yes
Tennessee	7%	5%	Yes
Texas	6.25%	Exempt	No
Utah	5.95%	3%	Yes
Vermont	6%	Exempt	Yes
Virginia	5.30%	2.50%	Yes
Washington	6.50%	Exempt	Yes
West Virginia	6%	Exempt	Yes
Wisconsin	5%	Exempt	No
Wyoming	4%	Exempt	Yes
District of Columbia	5.75%	Exempt	No

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Source: Sales Tax Clearinghouse; Tax Foundation, Facts and Figures 2018:  
How Does Your State Compare; State Revenue Department websites;  
Bloomberg BNA.

**Streamlined Sales Tax Definition of Candy**

**“Candy”** means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts or other ingredients or flavorings in the form of bars, drops, or pieces. “Candy” shall not include any preparation containing flour and shall require no refrigeration.