

**Sales Tax on Candy**

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

FY2022 Estimate: \$3.3 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**  
**Bold indicates a state that does tax candy**

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
<b>Arkansas</b>	<b>6.50%</b>	<b>1.50%</b>	<b>No</b>
California (a)	7.25%	Exempt	Yes
<b>Colorado</b>	<b>2.90%</b>	<b>Exempt</b>	<b>No</b>
<b>Connecticut</b>	<b>6.35%</b>	<b>Exempt</b>	<b>No</b>
Delaware	—	—	—
<b>Florida</b>	<b>6%</b>	<b>Exempt</b>	<b>No</b>
Georgia	4%	Exempt	Yes
Hawaii	4%	Included in Sales Tax Base	Yes
Idaho	6%	Included in Sales Tax Base	Yes
<b>Illinois</b>	<b>6.25%</b>	<b>1%</b>	<b>No</b>
<b>Indiana</b>	<b>7%</b>	<b>Exempt</b>	<b>No</b>
<b>Iowa</b>	<b>6%</b>	<b>Exempt</b>	<b>No</b>
Kansas	6.50%	Included in Sales Tax Base	Yes
<b>Kentucky</b>	<b>6%</b>	<b>Exempt</b>	<b>No</b>
Louisiana	5%	Exempt	Yes

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<b>Maine</b>	<b>5.50%</b>	<b>Exempt</b>	<b>No</b>
<b>Maryland</b>	<b>6%</b>	<b>Exempt</b>	<b>No</b>
Massachusetts	6.25%	Exempt	Yes
Michigan	6%	Exempt	Yes
<b>Minnesota</b>	<b>6.875%</b>	<b>Exempt</b>	<b>No</b>
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	—	—	—
<b>New Jersey</b>	<b>6.625%</b>	<b>Exempt</b>	<b>No</b>
New Mexico	5.125%	Exempt	Yes
<b>New York</b>	<b>4%</b>	<b>Exempt</b>	<b>No</b>
<b>North Carolina</b>	<b>4.75%</b>	<b>Exempt</b>	<b>No</b>
<b>North Dakota</b>	<b>5%</b>	<b>Exempt</b>	<b>No</b>
Ohio	5.75%	Exempt	Yes
Oklahoma	4.50%	Included in Sales Tax Base	Yes
Oregon	—	—	—
Pennsylvania	6%	Exempt	Yes
<b>Rhode Island</b>	<b>7%</b>	<b>Exempt</b>	<b>No</b>
South Carolina	6%	Exempt	Yes
South Dakota	4.50%	Included in Sales Tax Base	Yes
Tennessee	7%	5%	Yes
<b>Texas</b>	<b>6.25%</b>	<b>Exempt</b>	<b>No</b>
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

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<b>Wisconsin</b>	<b>5%</b>	<b>Exempt</b>	<b>No</b>
Wyoming	4%	Exempt	Yes
<b>District of Columbia</b>	<b>5.75%</b>	<b>Exempt</b>	<b>No</b>

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.