



Self-Review – Landscapers & Related Industries

Taxable

The following are examples of tangible personal property, commonly consumed by landscapers, the purchase or rental of which by the landscaper is subject to sales tax:

Items to be installed into real property: trees, shrubs, flowers, plants, sod, planting soil, sprinkler systems, fencing, masonry, concrete, curbing, edging, pavers, landscape lighting, construction materials for fixed structures (patios, ponds, decks, trellises, retaining walls, etc.), landscape timbers, weed barriers, landscape rocks, mulch, etc.

Landscaping equipment: garden tools, mowers, edgers, aerators, seeders, spreaders, tillers, trimmers, blowers, backhoes, excavators, tractors, concrete mixers, etc.

Lawn care products (unless for resale): grass seed, fertilizer, pesticide, herbicide, etc.

Office equipment: computers, prewritten software (including upgrades and maintenance agreements), telephone systems, furniture, fixtures, etc.

Office supplies, brochures, business cards, etc.

Publications, newsletters, books, magazine subscriptions, etc.

Repairs and services to equipment

All other tangible personal property purchased to be used or consumed, including Internet purchases*

Nontaxable

The following are examples of purchases not subject to sales and use tax:

Separately stated delivery charges: shipping, handling, freight, etc.

Advertising fees: television, phone book, newspaper, internet, etc.

Professional services: legal, accounting, etc.

Business licensing fees

Repairs and services to real property

Newspaper subscriptions

Sod or seedling plants purchased directly from the grower, if the grower sells them during the harvest season, and does not sell any items other than seasonal crops

Purchases for resale**

** If certain items are supplied to the customer as part of a landscape project, but do not get affixed to the real property (such as moveable benches, lawn furniture, etc.), these items are being sold as tangible personal property.

These sales should be invoiced separately from the landscaping service charges, and sales tax must be collected on them. As items for resale, they may be purchased tax free using an Exemption Certificate, Form TC-721.

*Purchases made on the Internet are treated the same for sales and use tax purposes as any other out-of-state purchases (for example, catalog purchases from out-of-state, etc.) and payment of use tax to the Tax Commission is required if the seller does not collect the sales tax.

Please be aware these examples are NOT all-inclusive. These lists are intended to provide you with general guidelines regarding the taxability of your purchases. If you have questions, please contact us at one of the numbers listed on the cover letter, and we will be happy to discuss them with you.

Additional information may be found in Administrative Rules R865-19S-58 and R865-21U-6, and Publication 45. These references and other supplemental research sources may be found on the Internet at tax.utah.gov.