



Self-Review – Photography

What sales are subject to sales tax?

Taxable

The seller must collect sales tax on the following products and services:

- Photographs, whether as prints, proofs, CDs, negatives, slides, digital images, electronically transferred, or in any other form
- Videos, whether as tapes, DVDs, films, electronically transferred, or in any other form
- Processing or developing film or negatives
- Printing, enlarging, retouching, tinting, or coloring photographs
- Stock photography, or a license to use a photograph
- Any other sale of tangible personal property (frames, albums, cameras, film, etc.)

Sales tax must be collected on the total sales price of photography. The sales price includes any expenses of the photographer that went into producing the photography, even if they are stated separately on the customer's invoice.

Taxable components may include:

- Sitting fees, hourly fees, creative fees, etc.
- Fees for models, props, stylists, wardrobe, makeup, equipment rental, etc.
- Travel expenses – lodging, meals, mileage, transportation, etc.
- Taxes or fees paid by the photographer

Nontaxable

Sales to out-of-state customers are nontaxable. However, if transfer of the property occurs in Utah, the transaction is taxable, even if the buyer intends to take the property out-of-state.

Certain sales within the state of Utah are exempt from sales tax **if** the purchaser provides an exemption certificate. These include:

- Sales for resale by the customer (i.e. developing photos for another photographer who will resell the photos, selling prints to a gallery, etc.)
- Sales to United States and Utah government agencies (but not to agencies of other states), if the purchase is paid for directly by the agency
- Sales to Native American tribes or tribe members, if the sale is made on the tribe's reservation, or the purchased item is delivered to the reservation
- Sales to religious or charitable institutions, if the sale totals \$1,000 or more, or is pursuant to a contract between the seller and purchaser
- Sales of videos for commercial distribution (see **Frequently Asked Questions**)

Exemption certificates are available online at tax.utah.gov/forms-pubs. For more information regarding exemptions, please refer to Publication 25.

Note: Sales made to advertisers are **not** sales for resale. Purchases of tangible personal property by an advertiser are considered used or consumed by the advertiser, and are subject to sales and use tax. Photographs sold for use in newspapers, magazines, periodicals, and other publications are taxable.

Certain amounts are not considered part of the sales price, and are not taxable, including the amount of any discount, delivery charges, and charges for late payment. Charges for distinct services unrelated to providing a product, such as consulting work, are not taxable.

**Self-Review – Photography****What purchases, leases, or rentals are subject to sales and use tax?****Taxable**

Camera equipment, accessories, projectors, lenses, filters, printing equipment, trays, darkroom equipment, etc.
Computer equipment, prewritten software and upgrades, digital memory, etc.
Backgrounds, props, lighting equipment, bulbs, etc.
Furniture and fixtures
Office equipment and office supplies
Photo developing chemicals, masking tape, darkroom supplies, etc.
Cleaning supplies
Film (unless for resale)
Promotional materials and complimentary items (calendars, t-shirts, brochures, business cards, postcards, mugs, etc.)
Magazine subscriptions, books, publications
Prints and proofs for photographer's use
Items originally purchased tax-free for resale that are withdrawn from inventory to be used or consumed by photographer
Other tangible personal property purchased to be used or consumed by photographer, including Internet purchases*

Nontaxable

Purchases for resale that become a physical component of the finished product you are selling:

- prints
- proofs
- photographic paper
- photo paper for digital prints
- blank CDs/DVDs
- packaging materials
- mounts, frames, albums, etc.

Advertising fees (newspaper, magazine, radio, television, internet, etc.)
Professional services (legal, accounting, etc.)
Insurance
Membership dues
Custom software
Newspapers or newspaper subscriptions
Repairs and services to real property (cleaning of building or property, trash removal, building repairs, etc.)
Purchases, leases, or rentals of equipment for primary use in production or postproduction of media for commercial distribution (see **Frequently Asked Questions**)
Separately stated delivery charges

*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 the use tax to the Tax Commission is required if the seller does not collect the 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 sales and 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-75, R865-19S-110, R865-21U-6, and Publication 25. These references and other supplemental research sources may be found on the Internet at tax.utah.gov.