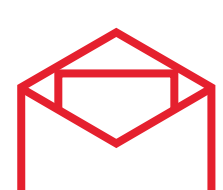


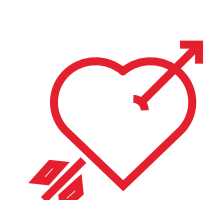
# Show your love on Valentine's Day

## ...and test your sales tax knowledge!

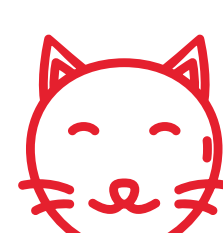
### Valentine's Fast Facts



Over **145 million** Valentine's Day cards are exchanged each year<sup>1</sup>



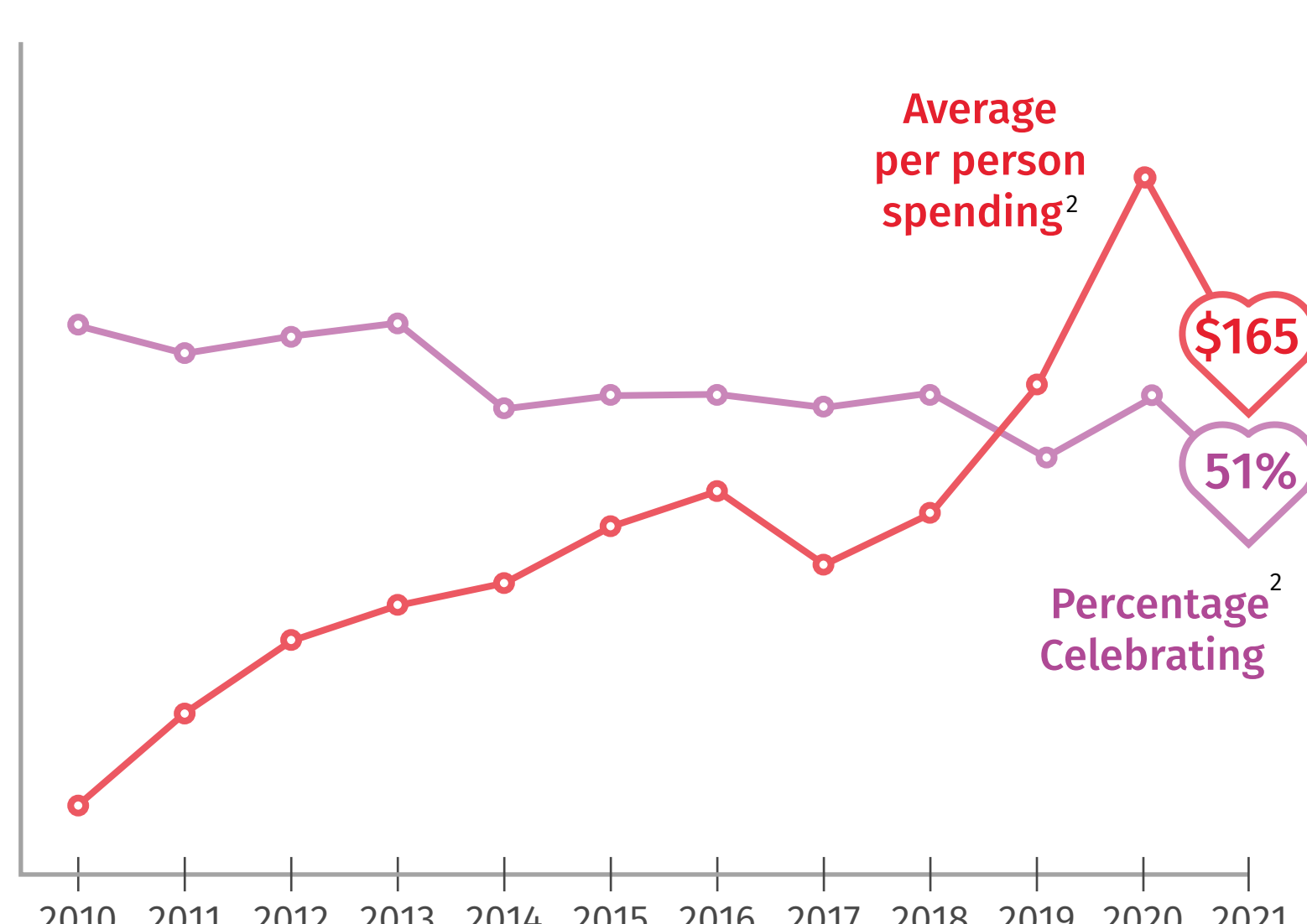
2021 Valentine's Day spending is expected to drop this year to **\$21.8 billion** (down from \$27.4 billion in 2020)<sup>1</sup>



Over **27 million** households plan to buy Valentine's gifts for their dogs (and 17 million more will join in for their cats)<sup>1</sup>



Jewelry is not the most common gift, but it is where most spending goes; in 2020 over **\$5.8 billion** was spent on jewelry for Valentine's Day<sup>1</sup>



### Top Valentine's Gifts and Sales Tax Implications

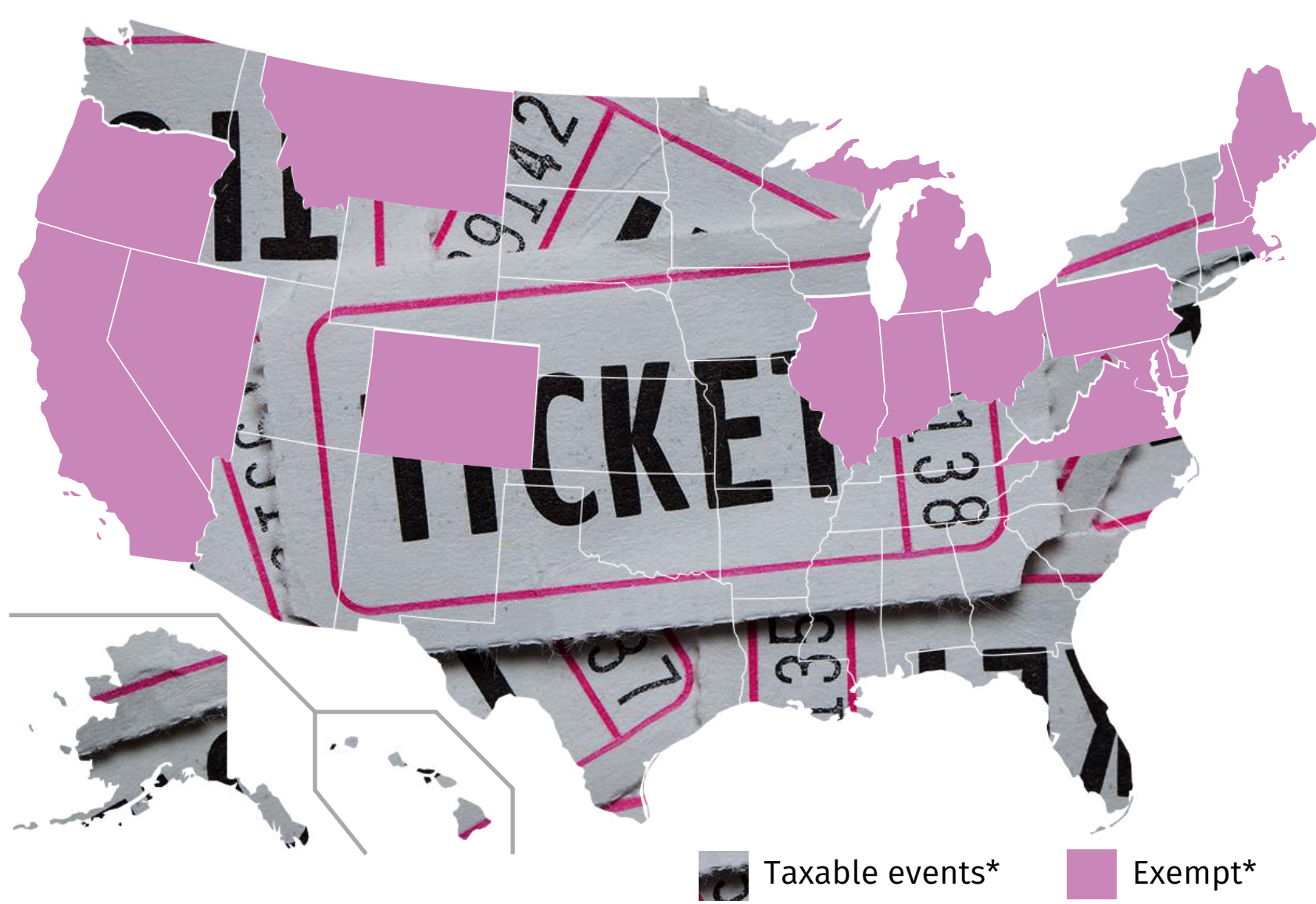
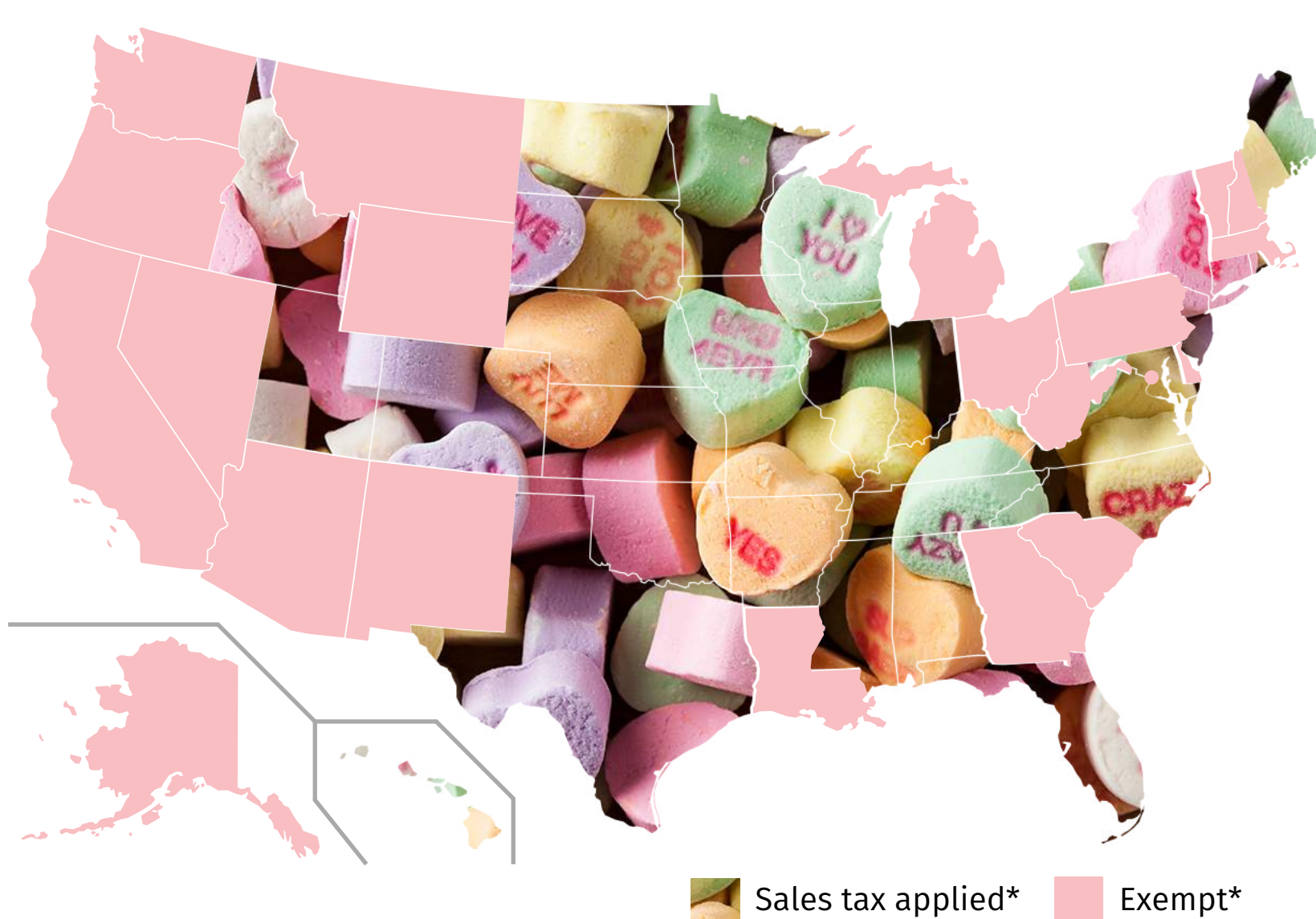
Currently, five states do not have a sales tax: **AK, DE, MT, NH, and OR.**

#### Candy\*

These states generally apply a sales tax for candy: **AL, AR, CO, CT, FL, HI, ID, IL, IN, IA, KS\*, KY\*, ME, MD\*, MN\*, MS, MO\*, NJ, NY, NC, ND, OK\*, RI, SD, TN, TX, UT, VA\*, and WI.**

Candy is generally exempt from sales tax in **AZ, CA, GA\*, LA, MA, MI, NE\*, NV, NM\*, OH\*, PA, SC\*, VT, WA\*, WV, WY,** and the **District of Columbia.**

Certain states have additional provisions for taxable and exempt sales tax on candy.



#### Admissions\*

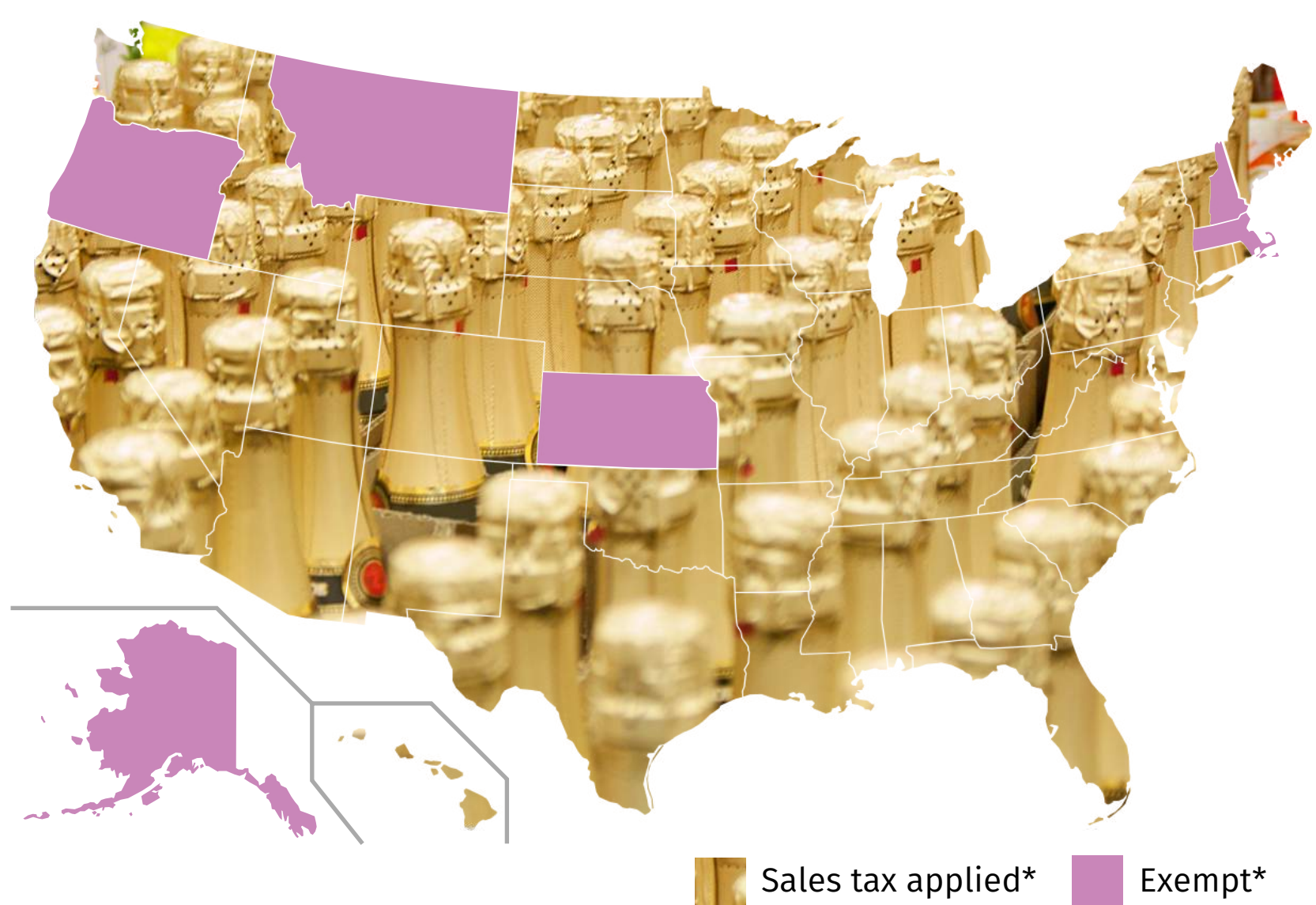
Admissions to entertainment events are taxable in **AL, AZ, AR, CT, FL, GA, HI, ID, IA, KS, KY, LA, MN, MS, MO, NE, NJ, NM, NY, NC, ND, OK, SC, SD, TN, TX, UT, VT, WA, WV, WI, WY,** and the **District of Columbia.**

Admissions are exempt in **CA, CO, IL, IN, ME, MD, MA, MI, NV, OH, PA, RI, and VA.**

#### Dinner out... or in?\*

Food served at restaurants is often referred to by sales tax laws as "prepared food" and is taxable in all states that impose a sales tax.

The following states have certain provisions that apply to things like dining on premises versus take out, certain types of food, etc.: **AZ, AR, CA, CO, CT, FL, IL, KS, LA, MD, NM, OH, PA, TX, VA, VT, WI, WY,** and the **District of Columbia.**



#### Alcohol\*

Generally taxable in all states except **KS** and **MA.**

\* Please consult the tax code in those states for additional information or consult with your tax and accounting professional.

### And don't think this holiday is just for hopeless romantics.

Retailers can't help but feel warm and fuzzy when Valentine's Day spending occurs. However, failure to comply with sales tax rules can quickly turn love into heartbreak. Wolters Kluwer Tax & Accounting provides the comprehensive solutions you need to stay sales tax compliant.

Visit [TaxNA.WoltersKluwer.com/SalesTax](https://www.taxna.wolterskluwer.com/SalesTax) to learn more

SOURCES:  
<sup>1</sup> Good Housekeeping, <https://www.goodhousekeeping.com/holidays/valentines-day-ideas/a26863/valentines-day-facts/>  
<sup>2</sup> National Retail Federation, NRF's 2021 Valentine's Day Spending Survey, conducted by Prosper Insights & Analytics, <https://nrf.com/media-center/press-releases/valentines-day-spending-total-218-billion>