Streamlined Sales Tax Governing Board
Section 328 Taxability Matrix
Library of Definitions
(Revised September 11, 2009)

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Each of the items listed in the chart is defined in the Library of Definitions in the Streamlined Sales and Use Tax Agreement (SSUTA) as amended through May 12, 2009. Refer to Appendix C of the SSUTA for each definition.

Place an "X" in the appropriate column under the heading "Treatment of definition" to indicate the treatment of each definition in your state. If a product definition was not adopted by your state, enter "NA" in the column under the heading "Reference" and indicate in the "Treatment of definition" columns the treatment of the product in your state. In accordance with the SSUTA, your state must adopt the definitions in the Library of Definitions that apply to your state without qualifications except for those allowed by the SSUTA. For this reason, do not enter any comments or qualifications in the two columns under the heading "Treatment of definition". If your state has adopted a definition in the Library of Definitions with a qualification not specified in the SSUTA, do not place an "X" in either column under the heading "Treatment of definition" but include a comment in the "Reference" column explaining the qualification. Enter the applicable statute/rule cite in the "Reference" column.

Sellers and certified service providers are relieved from tax liability to the member state and its local jurisdictions for having charged and collected the incorrect amount of sales and use tax resulting from the seller or certified service provider relying on erroneous data provided by the member state relative to treatment of the terms defined in the Library of Definitions.

Administrative Definitions	Treatment of definition		Reference
Sales price: Identify how the options listed below are treated in your state. The following options may be excluded from the definition of sales price only if they are separately stated on the bill to the purchaser.	**Included in Sales Price**	**Excluded from Sales Price**	**Statute/Rule Cite/Comment**
• Charges by the seller for any services necessary to complete the sale other than delivery and installation	X		44-18-12(a)(iii)
• Telecommunication nonrecurring charges	X		Regulation SU 09-129
• Installation charges		X	44-18-12(b)(ii)
• Value of trade-in	X		44-18-12(a)(v)
• **Delivery Charges for personal property or services other than direct mail. The following charges are included in the definition of sales price unless your state excludes them from sales price when such charges are separately stated on the bill to the purchaser. For responses below assume the charges are separately stated on the bill to the purchaser.**	**Included in Sales Price**	**Excluded from Sales Price**	**Statute/Rule Cite/Comment**
• Handling, crating, packing, preparation for mailing or delivery, and similar charges	X		44-18-7.1(i) & 44-18-12(a)(iv)
• Transportation, shipping, postage, and similar charges	X		44-18-7.1(i) & 44-18-12(a)(iv)

• **Delivery Charges for direct mail. The following charges are included in the definition of sales price unless your state excludes them from sales price when such charges are separately stated on the bill to the purchaser. For responses below assume the charges are separately stated on the bill to the purchaser.**		**Included in Sales Price**	**Excluded from Sales Price**	**Statute/Rule Cite/Comment**
• Handling, crating, packing, preparation for mailing or delivery, and similar charges			X	44-18-7.1(i)
• Transportation, shipping, and similar charges			X	44-18-7.1(i)
• Postage			X	44-18-7.1(i)
Sales Tax Holidays		**Yes**	**No**	**Statute/Rule Cite/Comment**
Sales Tax Holidays: Does your state have a sales tax holiday?			X	
If yes, indicate the tax treatment during your state sales tax holiday for the following products.	**Amount of Threshold**	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• All Energy star qualified products				
• Specific energy star qualified products or energy star qualified classifications				
➢				
➢				
➢				
• School supply				
• School art supply				
• School instructional material				
• School computer supply				
Other products defined in Part II of the Library of Definitions included in your state sales tax holiday.	**Amount of Threshold**	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Clothing				
• Computers				
• Prewritten computer software				
•				
•				
•				
Product Definitions				
Clothing and related products		**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Clothing			X	44-18-30(27)
➢ Essential clothing priced below a state specific threshold			X	N/A
➢ Fur clothing			X	N/A

• Clothing accessories or equipment	X		44-18-30(27)
• Protective equipment	X		44-18-30(27)
• Sport or recreational equipment	X		44-18-30(27)
Computer related products	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Computer	X		44-18-8 & 44-18-16
• Prewritten computer software	X		44-18-16
• Prewritten computer software **delivered electronically**		X	44-18-30(61)
• Prewritten computer software **delivered via load and leave**		X	44-18-30(61)
• Non-prewritten (custom) computer software		X	
• Non-prewritten (custom) computer software **delivered electronically**		X	
• Non-prewritten (custom) computer software **delivered via load and leave**		X	
Mandatory computer software maintenance contracts	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Mandatory computer software maintenance contracts with respect to **prewritten computer software**	X		44-18-12(a)(iii) & 44-18-16
• Mandatory computer software maintenance contracts with respect to prewritten computer software which is **delivered electronically**		X	44-18-30(61)
• Mandatory computer software maintenance contracts with respect to prewritten computer software which is **delivered via load and leave**		X	44-18-30(61)
• Mandatory computer software maintenance contracts with respect to **non-prewritten (custom) computer software**		X	SU 09-25
• Mandatory computer software maintenance contracts with respect to non-prewritten (custom) software which is **delivered electronically**		X	SU 09-25
• Mandatory computer software maintenance contracts with respect to non-prewritten (custom) software which is **delivered via load and leave**		X	SU 09-25
Optional computer software maintenance contracts	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Optional computer software maintenance contracts with respect to **prewritten computer software** that **only provide updates or upgrades** with respect to the software	X		SU 09-25
• Optional computer software maintenance contracts with respect to prewritten computer software that only provide **updates or upgrades delivered electronically** with respect to the software			SU 09-25 / Treated same as the original purchase.
• Optional computer software maintenance contracts with respect to prewritten computer software that only provide **updates or upgrades delivered via load and leave** with respect to the software			SU 09-25 / Treated same as the original purchase.
• Optional computer software maintenance contracts with respect to **non-prewritten (custom) computer software** that only provide **updates or upgrades** with respect to the software		X	SU 09-25

• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that only provide **updates or upgrades delivered electronically** with respect to the software		X	SU 09-25
• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that only provide **updates or upgrades delivered via load and leave** with respect to the software		X	SU 09-25
• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that **only provide support services** to the software		X	SU 09-25
• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that **provide updates or upgrades and support services** to the software		X	SU 09-25
• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software that **provide updates or upgrades delivered electronically and support services** to the software		X	SU 09-25
• Optional computer software maintenance contracts with respect to non-prewritten (custom) computer software **provide updates or upgrades delivered via load and leave and support services** to the software		X	SU 09-25
Indicate your state's tax treatment for optional computer software maintenance contracts with respect to prewritten computer software sold for one non-itemized price that include updates and upgrades and/or support services. Use percentages in the taxable and exempt columns to denote tax treatment in your state. For example: if all taxable put 100% in the taxable column; if all nontaxable/exempt put 100% in the exempt column; if 50% taxable and 50% nontaxable/exempt put 50% in the taxable column and 50% in the exempt column.	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Optional computer software maintenance contracts with respect to prewritten computer software that **provide updates or upgrades and support services** to the software	100%		SU 09-25
• Optional computer software maintenance contracts with respect to prewritten computer software that **provide updates and upgrades delivered electronically and support services to the software**			SU 09-25 / Treated same as the original purchase
• Optional computer software maintenance contracts with respect to prewritten computer software that **provide updates and upgrades delivered via load and leave and support services to the software**			SU 09-25 / Treated same as the original purchase.
• Optional computer software maintenance contracts with respect to prewritten computer software that **only provide support services** to the software		100%	SU 09-25
Digital products(excludes telecommunications services, ancillary services and computer software)	**Yes**	**No**	**Statute/Rule Cite/Comment**
A state imposing tax on products "transferred electronically" is not required to adopt definitions for specified digital products. ("Specified digital products" includes the defined terms: digital audio visual works; digital audio works; and digital books.) Does your state impose tax on products transferred electronically other than digital audio visual works, digital audio works, or digital books?		X	

	Taxable	Exempt	Statute/Rule Cite/Comment
• Digital audio visual works sold to an end user with rights for permanent use		X	
• Digital audio works sold to an end user with rights for permanent use		X	
• Digital books sold to an end user with rights for permanent use		X	
For transactions other than those included above, a state must specifically impose and separately enumerate a broader imposition of the tax. Does your state impose tax on:	**Yes**	**No**	**Statute/Rule Cite/Comment**
• Digital audio visual works sold to users other than the end user.		X	
• Digital audio visual works sold with rights of use less than permanent use.		X	
• Digital audio visual works sold with rights of use conditioned on continued payment.		X	
• Digital audio works sold to users other than the end user.		X	
• Digital audio works sold with rights of use less than permanent.		X	
• Digital audio works sold with rights of use conditioned on continued payments.		X	
• Digital books sold to users other than the end user.		X	
• Digital books sold with rights of use less than permanent.		X	
• Digital books sold with rights of use conditioned on continued payments.		X	
Does your state treat subscriptions to products "transferred electronically" differently than a non-subscription purchase of such product?		X	
Section 332H provides that states may have product based exemptions for specific items within specified digital products. ("Specified digital products" includes the defined terms: digital audio visual works; digital audio works; and digital books.) List product based exemptions for specific items included in specified digital products.	**Statute/Rule Cite/Comment**		
•	N/A		
•	N/A		
•	N/A		
Food and food products	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Food and food ingredients excluding alcoholic beverages and tobacco		X	44-18-30(9)
➢ Candy	X		44-18-30(9)
➢ Dietary Supplements	X		44-18-30(9) / Exempt if sold on prescription.
➢ Soft Drinks	X		44-18-30(9)
➢ Food sold through vending machines	X		44-18-30(9)
➢ Prepared Food	X		44-18-30(9)

Prepared food options - indicate whether the following options are included or excluded from the definition of prepared food. Options excluded from prepared food are taxed the same as food and food ingredients.	**Included in definition**	**Excluded from definition**	**Statute/Rule Cite/Comment**
➢ Food sold without eating utensils provided by the seller whose primary NAICS classification is manufacturing in sector 311, except subsector 3118 (bakeries)		X	44-18-30(9)(i)
➢ Food sold without eating utensils provided by the seller in an unheated state by weight or volume as a single item		X	44-18-30(9)(ii)
➢ Bakery items sold without eating utensils provided by the seller, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, Danish, cakes, tortes, pies, tarts, muffins, bars, cookies, tortillas		X	44-18-30(9)(iii)
Health-care products	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
Drugs (indicate how the options are treated in your state)			
Drugs for human use			
• Drugs for human use without a prescription	X		44-18-30(10)(i)
• Drugs for human use with a prescription		X	44-18-30(10)(i)
• Insulin for human use without a prescription		X	44-18-30(10)(i)
• Insulin for human use with a prescription		X	44-18-30(10)(i)
• Medical oxygen for human use without a prescription		X	44-18-30(10)(i)
• Medical oxygen for human use with a prescription		X	44-18-30(10)(i)
• Over-the-counter drugs for human use without a prescription		X	44-18-30(10)(i)
• Over-the-counter drugs for human use with a prescription		X	44-18-30(10)(i)
• Grooming and hygiene products for human use	X		44-18-30(10)(i)
• Drugs for human use to hospitals		X	44-18-30(10)(i)
• Drugs for human use to other medical facilities		X	44-18-30(10)(i)
• Prescription drugs for human use to hospitals		X	44-18-30(10)(i)
• Prescription drugs for human use to other medical facilities		X	44-18-30(10)(i)
• Free samples of drugs for human use	X		No exemption
• Free samples of prescription drugs for human use	X		No exemption
Drugs for animal use			
• Drugs for animal use without a prescription	X		44-18-30(10)(i)

• Drugs for animal use with a prescription		X	44-18-30(10)(i)
• Insulin for animal use without a prescription		X	44-18-30(10)(i)
• Insulin for animal use with a prescription		X	44-18-30(10)(i)
• Medical oxygen for animal use without a prescription		X	44-18-30(10)(i)
• Medical oxygen for animal use with a prescription		X	44-18-30(10)(i)
• Over-the-counter drugs for animal use without a prescription		X	44-18-30(10)(i)
• Over-the-counter drugs for animal use with a prescription		X	44-18-30(10)(i)
• Grooming and hygiene products for animal use	X		44-18-30(10)(i)
• Drugs for animal use to veterinary hospitals and other animal medical facilities		X	44-18-30(10)(i)
• Prescription drugs for animal use to hospitals and other animal medical facilities		X	44-18-30(10)(i)
• Free samples of drugs for animal use	X		No exemption
• Free samples of prescription drugs for animal use	X		No exemption
Durable medical equipment (indicate how the options are treated in your state)	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Durable medical equipment without a prescription	N/A		
• Durable medical equipment with a prescription	N/A		
• Durable medical equipment paid for by Medicare	N/A		
• Durable medical equipment reimbursed by Medicare	N/A		
• Durable medical equipment paid for by Medicaid	N/A		
• Durable medical equipment reimbursed by Medicaid	N/A		
• Durable medical equipment for home use without a prescription		X	44-18-30(10)(ii)
• Durable medical equipment for home use with a prescription		X	44-18-30(10)(ii)
• Durable medical equipment for home use paid for by Medicare		X	44-18-30(10)(ii)
• Durable medical equipment for home use reimbursed by Medicare		X	44-18-30(10)(ii)
• Durable medical equipment for home use paid for by Medicaid		X	44-18-30(10)(ii)
• Durable medical equipment for home use reimbursed by Medicaid		X	44-18-30(10)(ii)

• Oxygen delivery equipment without a prescription	N/A		
• Oxygen delivery equipment with a prescription	N/A		
• Oxygen delivery equipment paid for by Medicare	N/A		
• Oxygen delivery equipment reimbursed by Medicare	N/A		
• Oxygen delivery equipment paid for by Medicaid	N/A		
• Oxygen delivery equipment reimbursed by Medicaid	N/A		
• Oxygen delivery equipment for home use without a prescription		X	44-18-30(10)(ii) & SU 07-30
• Oxygen delivery equipment for home use with a prescription		X	44-18-30(10)(ii) & SU 07-30
• Oxygen delivery equipment for home use paid for by Medicare		X	44-18-30(10)(ii) & SU 07-30
• Oxygen delivery equipment for home use reimbursed by Medicare		X	44-18-30(10)(ii) & SU 07-30
• Oxygen delivery equipment for home use paid for by Medicaid		X	44-18-30(10)(ii) & SU 07-30
• Oxygen delivery equipment for home use reimbursed by Medicaid		X	44-18-30(10)(ii) & SU 07-30
• Kidney dialysis equipment without a prescription	N/A		
• Kidney dialysis equipment with a prescription	N/A		
• Kidney dialysis equipment paid for by Medicare	N/A		
• Kidney dialysis equipment reimbursed by Medicare	N/A		
• Kidney dialysis equipment paid for by Medicaid	N/A		
• Kidney dialysis equipment reimbursed by Medicaid	N/A		
• Kidney dialysis equipment for home use without a prescription		X	44-18-30(10)(ii)
• Kidney dialysis equipment for home use with a prescription		X	44-18-30(10)(ii)
• Kidney dialysis equipment for home use paid for by Medicare		X	44-18-30(10)(ii)
• Kidney dialysis equipment for home use reimbursed by Medicare		X	44-18-30(10)(ii)
• Kidney dialysis equipment for home use paid for by Medicaid		X	44-18-30(10)(ii)
• Kidney dialysis equipment for home use reimbursed by Medicaid		X	44-18-30(10)(ii)
• Enteral feeding systems without a prescription	N/A		
• Enteral feeding systems with a prescription	N/A		
• Enteral feeding systems paid for by Medicare	N/A		
• Enteral feeding systems reimbursed by Medicare	N/A		
• Enteral feeding systems paid for by Medicaid	N/A		
• Enteral feeding systems reimbursed by Medicaid	N/A		
• Enteral feeding systems for home use without a prescription		X	44-18-30(10)(ii)

• Enteral feeding systems for home use with a prescription		X	44-18-30(10)(ii)
• Enteral feeding systems for home use paid for by Medicare		X	44-18-30(10)(ii)
• Enteral feeding systems for home use reimbursed by Medicare		X	44-18-30(10)(ii)
• Enteral feeding systems for home use paid for by Medicaid		X	44-18-30(10)(ii)
• Enteral feeding systems for home use reimbursed by Medicaid		X	44-18-30(10)(ii)
• Repair and replacement parts for durable medical equipment which are for single patient use		X	44-18-30(10)(ii) & SU 09-30
Mobility enhancing equipment (indicate how the options are treated in your state)	**Taxable**	**Exempt**	**Statue/Rule Cite/Comment**
• Mobility enhancing equipment without a prescription		X	44-18-30(11) & SU 07-30
• Mobility enhancing equipment with a prescription		X	44-18-30(11) & SU 07-30
• Mobility enhancing equipment paid for by Medicare		X	44-18-30(11) & SU 07-30
• Mobility enhancing equipment reimbursed by Medicare		X	44-18-30(11) & SU 07-30
• Mobility enhancing equipment paid for by Medicaid		X	44-18-30(11) & SU 07-30
• Mobility enhancing equipment reimbursed by Medicaid		X	44-18-30(11) & SU 07-30
Prosthetic devices (indicate how the options are treated in your state)	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Prosthetic devices without a prescription	X		No exemption
• Prosthetic devices with a prescription		X	44-18-30(11)
• Prosthetic devices paid for by Medicare	N/A		
• Prosthetic devices reimbursed by Medicare	N/A		
• Prosthetic devices paid for by Medicaid	N/A		
• Prosthetic devices reimbursed by Medicaid	N/A		
• Corrective eyeglasses without a prescription	X		44-18-30(11)
• Corrective eyeglasses with a prescription		X	44-18-30(11)
• Corrective eyeglasses paid for by Medicare	N/A		
• Corrective eyeglasses reimbursed by Medicare	N/A		
• Corrective eyeglasses paid for by Medicaid	N/A		
• Corrective eyeglasses reimbursed by Medicaid	N/A		
• Contact lenses without a prescription	X		44-18-30(11)
• Contact lenses with a prescription		X	44-18-30(11)
• Contact lenses paid for by Medicare	N/A		
• Contact lenses reimbursed by Medicare	N/A		
• Contact lenses paid for by Medicaid	N/A		
• Contact lenses reimbursed by Medicaid	N/A		
• Hearing aids without a prescription		X	44-18-30(11)

• Hearing aids with a prescription		X	44-18-30(11)
• Hearing aids paid for by Medicare		X	44-18-30(11)
• Hearing aids reimbursed by Medicare		X	44-18-30(11)
• Hearing aids paid for by Medicaid		X	44-18-30(11)
• Hearing aids reimbursed by Medicaid		X	44-18-30(11)
• Dental prosthesis without a prescription	X		No exemption
• Dental prosthesis with a prescription		X	44-18-30(11)
• Dental prosthesis paid for by Medicare	N/A		
• Dental prosthesis reimbursed by Medicare	N/A		
• Dental prosthesis paid for by Medicaid	N/A		
• Dental prosthesis reimbursed by Medicaid	N/A		
Telecommunications & related products	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Ancillary Services	X		44-18-12.1 & 44-18-7(9)
o Conference bridging service	X		44-18-12.1 & 44-18-7(9)
o Detailed telecommunications billing service	X		44-18-12.1 & 44-18-7(9)
➢ Directory assistance	X		44-18-12.1 & 44-18-7(9)
➢ Vertical service	X		44-18-12.1 & 44-18-7(9)
➢ Voice mail service	X		44-18-12.1 & 44-18-7(9)
Telecommunications (Indicate how the options are treated in your state)	**Taxable**	**Exempt**	**Statute/Rule Cite/Comment**
• Intrastate Telecommunications Service	X		44-18-12.1 & 44-18-7(9)
• Interstate Telecommunications Service	X		44-18-12.1 & 44-18-7(9)
• International Telecommunications Service	X		44-18-12.1 & 44-18-7(9)
• International 800 service	X		44-18-12.1 & 44-18-7(9)
• International 900 service		X	
• International fixed wireless service	X		44-18-12.1 & 44-18-7(9)
• International mobile wireless service	X		44-18-12.1 & 44-18-7(9)
• International paging service	X		44-18-12.1 & 44-18-7(9)
• International prepaid calling service	X		44-18-12.1 & 44-18-7(9)
• International prepaid wireless calling service	X		44-18-12.1 & 44-18-7(9)
• International private communications service	X		44-18-12.1 & 44-18-7(9)
• International value-added non-voice data service	X		44-18-12.1 & 44-18-7(9)
• International residential telecommunications service	X		44-18-12.1 & 44-18-7(9)
• Interstate 800 service	X		44-18-12.1 & 44-18-7(9)
• Interstate 900 service		X	
• Interstate fixed wireless service	X		44-18-12.1 & 44-18-7(9)
• Interstate mobile wireless service	X		44-18-12.1 & 44-18-7(9)
• Interstate paging service	X		44-18-12.1 & 44-18-7(9)
• Interstate prepaid calling service	X		44-18-12.1 & 44-18-7(9)
• Interstate prepaid wireless calling service	X		44-18-12.1 & 44-18-7(9)

• Interstate private communications service	X		44-18-12.1 & 44-18-7(9)
• Interstate value-added non-voice data service	X		44-18-12.1 & 44-18-7(9)
• Interstate residential telecommunications service	X		44-18-12.1 & 44-18-7(9)
• Intrastate 800 service	X		44-18-12.1 & 44-18-7(9)
• Intrastate 900 service		X	
• Intrastate fixed wireless service	X		44-18-12.1 & 44-18-7(9)
• Intrastate mobile wireless service	X		44-18-12.1 & 44-18-7(9)
• Intrastate paging service	X		44-18-12.1 & 44-18-7(9)
• Intrastate prepaid calling service	X		44-18-12.1 & 44-18-7(9)
• Intrastate prepaid wireless calling service	X		44-18-12.1 & 44-18-7(9)
• Intrastate private communications service	X		44-18-12.1 & 44-18-7(9)
• Intrastate value-added non-voice data service	X		44-18-12.1 & 44-18-7(9)
• Intrastate residential telecommunications service	X		44-18-12.1 & 44-18-7(9)
• Coin-operated telephone service	X		44-18-12.1 & 44-18-7(9)
• Pay telephone service	X		44-18-12.1 & 44-18-7(9)
• Local Service as defined by RHODE ISLAND	X		44-18-12.1 & 44-18-7(9)

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