

Chapter 05 – Printing Industry

100 General

- 101 The term “Printer” includes publisher and other producers or reproducers of lettering or images of any kind on paper, printing plates or other material. Providing copiers, printers or other machinery in the owner’s place of business for use by customers who make their own printed material for a fee does not fall under the term “Printer”.
- 102 Gross proceeds of sales by persons engaging in the printing business are taxable at the regular retail rate of tax on the total charge with the following exceptions:
1. Sales of printed matter or printing services to licensed dealers for resale at retail in the regular course of business are exempt from sales tax.
 2. Where stamped envelopes or post cards are purchased and printed for the customers, the amount of the postage may be deducted from the total charge.
 3. Sales of daily or weekly newspapers and periodicals or publications of scientific, literary or educational organizations which are exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1954 as it existed as of March 31, 1975, are exempt from sales tax.
 4. Printed products that are delivered outside of this state are exempt from sales tax.
- 103 Purchases by a printer of ink, printing stock, staples, stapling wire, binding twine, glue and other tangible personal property which become a component part of the printed matter, or are coated upon or impregnated therein, are purchases of raw materials and exempt from tax. Purchases of component materials which are used or consumed by the printer in the fabrication of plates incidental to a customer printing job are likewise deemed to be component materials and exempt from tax provided that title to such property passes to the customer.
- 104 Purchases of machinery, machine parts, plates, computers, digital equipment, or software used directly in the printing or reproduction process are taxable at the 1 1/2% special rate of tax. Purchases of electric power or other fuels used directly in the printing or reproduction process are exempt from sales tax.
- 105 Purchases of other equipment and supplies are taxable at the regular retail rate of tax. Such other equipment includes but is not limited to inserters or mail sorting equipment. Purchases of copiers and other equipment provided for use by customers who make their own printed material are taxable at the regular retail rate of tax.
- 106 Rental or lease of machinery and other tangible personal property is taxed at the same rate as sales of the same property.
- 107 Adequate records must be maintained to substantiate tax classifications of sales and purchases.
- 108 (Reserved)

Chapter 05 – Printing Industry

100 ~~General Definition~~

101 ~~The term “Printer” includes publisher and other producers or reproducers of lettering or images of any kind on paper, printing plates or other material. Providing copiers, printers or other machinery in the owner’s place of business for use by customers who make their own printed material for a fee does not fall under the term “Printer”.~~

~~100 — Definition. The term “Printers”, includes publisher, photostaters, photoengravers, blue printers, lithographers and other producers or reproducers of lettering or images of any kind on paper, metal plates or other material.~~

~~101 — (Reserved)~~

~~Sales~~

102~~200~~ ~~Sales.~~ Gross proceeds of sales by persons engaging in the printing business are taxable at the regular retail rate of tax on the total charge with the following exceptions:

1. Sales of printed matter or printing services to licensed dealers for resale at retail in the regular course of business are exempt from sales tax.
2. Where stamped envelopes or post cards are purchased and printed for the customers, the amount of the postage may be deducted from the total charge.
3. Sales of daily or weekly newspapers and periodicals or publications of scientific, literary or educational organizations which are exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1954 as it existed as of March 31, 1975, are exempt from sales tax.
4. Printed products that are delivered outside of this state are exempt from sales tax.

~~201 — (Reserved)~~

~~Purchases~~

103~~300~~ ~~Purchases.~~ Purchases by a printer of ink, printing stock, staples, stapling wire, binding twine, glue and other tangible personal property which become a component part of the printed matter, or are coated upon or impregnated therein, are purchases of raw materials and exempt from tax. Purchases of component materials which are used or consumed by the printer in the fabrication of plates, ~~dies or mats~~ incidental to a customer printing job are likewise deemed to be component materials and exempt from tax provided that title to such property passes to the customer. ~~Special printing aids are likewise exempt from tax. The term “special printing aids” are those printing aids which are of unique utility to a particular customer, such as film, photo direct paper or electrostatic paper and computographic paper, that are not reusable by the printer.~~

~~30104~~ Purchases of machinery, machine parts, plates, computers, digital equipment, or software~~electric power or other fuels~~ used directly in the printing or reproduction process are taxable at the 1 1/2% special rate of tax. Purchases of electric power or other fuels used directly in the printing or reproduction process are exempt from sales tax.

~~302105~~ Purchases of other equipment and supplies are taxable at the regular retail rate of tax. Such other equipment includes but is not limited to inserters or mail sorting equipment. Purchases of copiers and other equipment provided for use by customers who make their own printed material are taxable at the regular retail rate of tax.

~~303~~ — (Reserved)

~~Rentals~~

~~41060~~ ~~Rentals~~—Rental or lease of machinery and other tangible personal property is taxed at the same rate as sales of the same property. —

~~401~~ — (Reserved)

~~Records~~

~~51070~~ ~~Records~~—Adequate records must be maintained to substantiate tax classifications of sales and purchases.

~~51081~~ (Reserved)