

## **SUT-89 - Exemption for Packaging Materials**

***This article is for informational purposes only.***

Packaging materials, including pallets, containers, labels, sacks, bags, or bottles used for packaging products that will accompany the products when sold in a retail sale or sale for resale are exempt from sales and use tax.

The dealer should present a completed Streamlined Certificate of Exemption to its supplier to purchase the packaging materials exempt from sales and use tax. On Line 4 of the exemption certificate, the purchaser should select its type of business (e.g., retail trade, manufacturing, or wholesale trade). On Line 5 of the exemption certificate, the purchaser should select Box L "other" and include the explanation "packaging used incidental to the sale of products."

Reference: Tenn. Code Ann. § 67-6-329(a)(13). Tenn. Comp. R. & Regs. 1320-05-01-.11(1). [Important Notice 18-16.](#)