



Sales and Use Tax Notice

Notice #18-03

March 2018

Animal Bathing and Grooming

Charges Made for Bathing Animals Are Subject to Sales Tax

Certain sales of services are subject to Tennessee sales tax. Animal bathing is one of those services. The total sales price charged for bathing an animal is subject to sales tax at the state and applicable local tax rates.

Pet Grooming Is Not Subject to Sales Tax Unless Sold with Bathing for a Single Price

Pet grooming services, standing alone, are not subject to Tennessee sales tax. However, if pet grooming and bathing are sold together for a single price, sales tax is due on the total sales price.

Examples:

A person provides pet grooming and bathing and separately itemizes the charge for bathing services and the charges for pet grooming services as follows:

Pet Bathing	15.00	
Haircut	65.00	
Brush-out	10.00	
Nail Care	<u>15.00</u>	
Subtotal	105.00	
Sales Tax 9.5%	<u>1.43</u>	(15 x .095)
Total	106.43	

In this example, sales tax is due only on the separate charge for bathing.

However, if the person charges a single price of \$105 for the pet grooming and bathing services, the total sales price is subject to tax as follows:

Bathing & Grooming Services	105.00	
Subtotal	105.00	
Sales Tax 9.5%	<u>9.98</u>	(105 x .095)
Total	114.98	

In this example, sales tax is due on the total sales price of all services sold.

Animal Bathing by a Licensed Veterinarian for Medical Purposes Is Not Subject to Tax

Medical services provided by a licensed veterinarian are not subject to sales tax. When a licensed veterinarian provides animal bathing for medical purposes, no sales tax applies. Under these circumstances, the bathing is considered part of the veterinarian's medical services. See important notice 08-01 Veterinarians.

Veterinarians may also be engaged in the business of providing non-medical animal bathing and pet grooming services. When a veterinarian provides non-medical animal bathing and grooming but makes separate itemized charges for each, sales tax is only due on the charge for bathing. However, if non-medical bathing and grooming are sold for a single price, the total sales price is subject to tax.

For More Information

Visit www.tn.gov/revenue. Click on Revenue Help to search for answers or to submit an information request to one of our agents.

References

Tenn. Code Ann. § 67-6-205(c)

Disclaimer: The information provided here is current as of the date of publication but may change as a result of new statutes, regulations, or court decisions. While this notice is intended to be comprehensive, events and situations unanticipated by this notice may occur. In such cases you should contact the department or your tax professional for further guidance.