

Dumpsters Provided With Waste Removal Services

Leasing a Dumpster as Part of Waste Removal Services is Not Subject to Sales and Use Tax

Effective July 1, 2019, Public Chapter 483 (2019) provides that a taxable lease does not include providing a dumpster or other container for waste or debris removal when the provider of the dumpster is exclusively responsible for delivery and pickup of the dumpster.

As a result, charges for dumpsters and other containers that waste removal service providers deliver for exclusive use in their waste and debris removal and pick-up services are not subject to tax.

However, the waste removal services provider would pay sales or use tax on the purchase of the container used to provide waste removal services.

Dumpsters and Other Waste Containers Rented or Leased Apart From Waste Removal Services Remain Subject to Sales and Use Tax

The rental or lease of dumpsters and other waste containers continues to be subject to sales and use tax when such rental or lease is not a part of a waste removal service, and/or where the provider of the dumpster is not exclusively responsible for delivery and pickup of the dumpster.

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. § 67-6-102(49); Tenn. Code Ann. § 67-6-102(75); Public Chapter 483 (2019)