Local Sales and Use Tax Notice

Notice #26-19 September 2026

Local Sales Tax on Food and Food Ingredients – Davidson County

Davidson County Adopts Reduced Sales Tax Rate on Food and Food Ingredients

Davidson County has enacted a local sales tax rate reduction on the retail sale of food and food ingredients. Effective November 1, 2026, the new reduced local sales tax rate for food and food ingredients sold in Davidson County is **1.75%.**

This reduced rate also applies to retail sales of food and food ingredients in all cities within Davidson County, including but not limited to Berry Hill, Belle Meade, Oak Hill, Forest Hills, and Goodlettsville.

Reduced Rate Limited to Food and Food Ingredients

The reduced 1.75% local sales tax rate applies only to the retail sale of food and food ingredients. All other tangible personal property and taxable services remain subject to Davidson County's 2.25% local sales tax rate.

This local sales tax rate reduction does not affect the standard 4% state sales tax rate that applies to the retail sale of food and food ingredients.

Food and Food Ingredients

"Food and food ingredients" are defined as liquid, concentrated, solid, frozen, dried, or dehydrated substances that are sold to be ingested or chewed by humans and are consumed for their taste or nutritional value.

Food ingredients do not include alcoholic beverages, tobacco, candy, dietary supplements, and prepared food. For more information and examples of food and food ingredients, please see Important Notice 17-20.

The most common example is selling food and food ingredients at a grocery store. Food and food ingredients are taxed at the 4% state sales tax rate plus the reduced 1.75% Davidson County rate.

Reporting the Reduced Rate

Beginning with the November 2026 return, which is due December 20, taxpayers in Davidson County with sales of food and food ingredients will report and pay the reduced rate on a new line on the sales and use tax return.

The Department will send letters to impacted taxpayers with further reporting instructions.

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. § 67-6-702.