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Fact Sheet April 2014

bridging the gap

Research Informing Policies & Practices
for Healthy Youth

State Sales Taxes on Bottled Water (as of January 2014)

Introduction

A number of authoritative public health, policy, and advocacy groups are encouraging Americans to drink more water. While prior research has documented state tax rates on soda, little is known about the extent to which states also apply taxes to bottled water sales.

This fact sheet presents the latest data on state sales taxes applied to bottled water. These data were compiled by [The MayaTech Corporation](#) for the [Bridging the Gap](#) research program. Data in this brief reflect sales taxes applied to bottled water as of January 1, 2014. Tax rates were compiled through primary legal research of the codified state statutory and administrative (regulatory) laws available through commercial legal research services, [Westlaw](#) and [LexisNexis](#), with telephone verification with state revenue and tax officials.

Data files with the tax rates and a companion PowerPoint map image are available for download from the [Bridging the Gap](#) website.

Key Findings

As of January 1, 2014, 17 states and the District of Columbia (D.C.) applied sales taxes to bottled water sold through food stores and 34 states and D.C. applied sales taxes to bottled water sold through vending machines. Two states also applied non-sales taxes/fees at the manufacturer, distributor, wholesaler, and/or retailer levels. The table on the next page provides the state-by-state listing of sales tax rates that applied to bottled water.

Sales Taxes on Bottled Water Sold in Food Stores (17 states + D.C.):

- The average tax in taxing states was 3.949% and across all states and was 1.316%.
- The maximum tax rate was 7%.
- 4 states' sales taxes on bottled water sold through food stores were higher than the state sales taxes applied to food products generally.

Sales Taxes on Bottled Water Sold in Vending Machines (34 states + D.C.):

- The average tax in taxing states was 5.035% and across all states was 3.356%.
- The maximum rate was 8%.
- 22 states' sales taxes on bottled water sold through vending machines were higher than the state sales tax applied to food products generally.

State Sales Taxes on Bottled Water (as of January 1, 2014)

State	Sales Tax on Bottled Water Sold in Food Stores (%)	Sales Tax on Bottled Water Higher than Tax on Food Generally	Sales Tax on Bottled Water Sold in Vending Machines (%)	Sales Tax on Bottled Water Sold through Vending Machine Higher than Tax on Food Generally	Non-sales Tax/ Fee on Bottled Water
AL	4.000	No	4.000	No	No
AK	0.000	No	0.000	No	No
AZ	0.000	No	0.000	No	No
AR	1.500	No	1.500	No	No
CA	0.000	No	6.500	Yes	No
CO	0.000	No	0.000	No	No
CT	0.000	No	0.000	No	No
DE	0.000	No	0.000	No	No
DC	0.000	No	5.750	Yes	No
FL	0.000	No	6.000	Yes	No
GA	0.000	No	4.000	Yes	No
HI	4.000	No	4.000	No	No
ID	6.000	No	6.000	No	No
IL	1.000	No	1.000	No	No
IN	0.000	No	7.000	Yes	No
IA	0.000	No	6.000	Yes	No
KS	6.150	No	6.150	No	No
KY	0.000	No	6.000	Yes	No
LA	4.000	Yes	4.000	Yes	No
ME	5.500	Yes	5.500	Yes	No
MD	6.000	Yes	6.000	Yes	No
MA	0.000	No	0.000	No	No
MI	0.000	No	0.000	No	No
MN	0.000	No	6.875	Yes	No
MS	7.000	No	8.000	No	No
MO	1.225	No	1.225	No	No
MT	0.000	No	0.000	No	No
NE	0.000	No	5.500	Yes	No
NV	0.000	No	0.000	No	No
NH	0.000	No	0.000	No	No
NJ	0.000	No	7.000	Yes	No
NM	0.000	No	5.125	Yes	No
NY	4.000	Yes	4.000	Yes	No
NC	0.000	No	4.750	Yes	No
ND	0.000	No	0.000	No	No
OH	0.000	No	0.000	No	No
OK	4.500	No	4.500	No	No
OR	0.000	No	0.000	No	No
PA	0.000	No	0.000	No	No
RI	0.000	No	0.000	No	Yes
SC	0.000	No	6.000	Yes	No
SD	4.000	No	4.000	No	No
TN	5.000	No	5.000	No	Yes
TX	0.000	No	6.250	Yes	No
UT	1.750	No	1.750	No	No
VT	0.000	No	0.000	No	No
VA	1.500	No	5.300	Yes	No
WA	0.000	No	6.500	Yes	No
WV	0.000	No	6.000	Yes	No
WI	0.000	No	0.000	No	No
WY	0.000	No	4.000	Yes	No

Summary Information:	Food Stores	Vending Machines
# states with a bottled water sales tax (as of 1/1/14):	17	34
Average tax (all 50 states and DC):	1.316	3.356
Average tax (taxing states only):	3.949	5.035
Maximum bottled water sales tax (before mandatory statewide local tax):	7.000	8.000

FOR MORE INFORMATION

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