
State of South Carolina
Department of Revenue
301 Gervais Street, P. O. Box 125, Columbia, South Carolina 29214
Website Address: <http://www.sctax.org>

SC INFORMATION LETTER #09-9

SUBJECT: Sales Tax Holiday for August 2009

DATE: June 2, 2009

SUPERSEDES: All previous advisory opinions and any oral directives in conflict herewith.

AUTHORITY: S. C. Code Ann. Section 12-4-320 (2000; Supp. 2008)
SC Revenue Procedure #09-3

SCOPE: An Information Letter is a written statement issued to the public to announce general information useful in complying with the laws administered by the Department. An Information Letter has no precedential value.

Code Section 12-36-2120(57) provides for an annual sales tax holiday for sales taking place during 12:01 a.m. on the first Friday in August and ending at midnight on the following Sunday. Accordingly, the 2009 sales tax holiday weekend will begin Friday, August 7, 2009 at 12:01 a.m. and end Sunday, August 9, 2009 at midnight.

During this time, the 6% state sales and use tax, and any applicable local sales and use tax, will not be imposed on clothing, clothing accessories (*e.g.*, hats, scarves, hosiery, and handbags), footwear, school supplies (*e.g.*, pens, pencils, paper, binders, notebooks, books, bookbags, lunchboxes, and calculators), computers, printers and printer supplies, computer software, and bath wash clothes, blankets, bed spreads, bed linens, sheet sets, comforter sets, bath towels, shower curtains, bath rugs and mats, pillows, and pillow cases. The sales tax holiday, however, does not apply to sales of jewelry, cosmetics, eyewear, wallets, watches, furniture, rental of clothing or footwear, items for use in a business, or items placed on layaway or similar deferred payment and delivery plans.

The Department has published two advisory opinions concerning the sales tax holiday; each is available on our website at www.sctax.org. These documents are:

1. SC Revenue Ruling #05-9 – a detailed list of examples of exempt items during the sales tax holiday and a list of examples of nonexempt items.
2. SC Revenue Ruling #05-10 – a “question and answer” document addressing frequently asked sales tax holiday questions.

Note: On May 4, 2009, the South Carolina Supreme Court ruled that the act authorizing two other sales tax holidays, the Second Amendment Sales Tax Holiday and the Energy Star Sales Tax Holiday, was unconstitutional.¹ As such, these two sales tax holidays were eliminated.

However, the General Assembly subsequently included a Second Amendment Sales Tax Holiday in the 2009 – 2010 State Appropriations Act (House Bill 3560 of 2009, Part 1B, Section 89, Proviso 89.135). This two-day sales tax holiday applies to purchases of handguns (as defined in Code Section 16-23-10(1)), rifles and shotguns and will take place on the Friday and Saturday after Thanksgiving - November 27th and 28th of 2009. The Second Amendment Sales Tax Holiday was enacted as a temporary proviso; therefore, it will not take place in subsequent years unless the General Assembly re-enacts the temporary proviso or codifies this sales tax holiday exemption.

¹ *The American Petroleum Institute and BP Products North America Inc v. South Carolina Department of Revenue, et al.* (Opinion No. 26645, May 4, 2009).