

## **117-303 Laundry, Launderette, Cleaning, Dyeing or Pressing Establishments**

### **117-303.1. Retailers' License-Laundries, Launderettes, Cleaning, Dyeing or Pressing Establishments**

### **117-303.2. Rug and Carpet Cleaning**

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### **117-303.4. Cleaning, Glazing, Dyeing and Storing Furs**

## **117-303 Laundry, Launderette, Cleaning, Dyeing or Pressing Establishments.**

Code Sections 12-36-910 and 12-36-1310 impose the sales and use taxes on the "gross proceeds accruing or proceeding from the business of providing or furnishing any laundering, dry cleaning, dyeing, or pressing service, but does not apply to the gross proceeds derived from coin-operated laundromats and dry cleaning machines."

The gross proceeds accruing or proceeding from the business of providing or furnishing "any laundering, dry cleaning, dyeing or pressing service," is construed to mean all charges made by such businesses including charges for repairing, altering, storing, pick-up, and delivery of the product so laundered, dry cleaned, dyed or pressed.

Code Section 12-36-2120(24) exempts from the sales and use taxes "supplies and machinery used by laundries, cleaning, dyeing, pressing, or garment or other textile rental establishments in the direct performance of their primary function, but not sales of supplies and machinery used by coin-operated laundromats."

A machine exempted from the tax under Code Section 12-36-2120(24) is construed to mean any machine used in the "production line" of such laundry, launderette, cleaning, dyeing or pressing establishment, beginning with the marking of the garment for identification and ending with the wrapping or preparation of the garment for return to customer and any machine used in the cleaning production line of a garment or textile rental establishment for the purpose of cleaning garments and textiles for rent to customers.

Supplies are determined to mean supplies, including fuel, that are necessary to work with or on the garment in order to perform the primary function of the laundry, launderette, cleaning, dyeing or pressing business or supplies, including fuel, used in the cleaning production line of a garment or textile rental establishment for the purpose of cleaning garments and textiles for rent to customers. The exemption for supplies does not include equipment such as desks, chairs, typewriters, adding machines, cash registers, change machines, counters, delivery equipment, or any administrative or advertising supplies or equipment.

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Each pickup and/or delivery point shall constitute a separate branch or establishment of the business.

### **117-303.2. Rug and Carpet Cleaning.**

Persons operating places of business for the purpose of cleaning and/or dyeing of rugs must be licensed and must report and pay the sales tax measured by the gross proceeds derived from this cleaning or dyeing service. Such persons would be entitled to the exemptions found at Section 12-36-2120(24).

A person performing what is commonly referred to as janitorial service, that is washing windows, blinds, floors, rugs, upholstery, all or part thereof, in the home or place of business of his customers, is not liable for the license, but must pay the tax on all items of tangible personal property used in the performance of these services. This would also be true of a person whose sole business is the cleaning of rugs and carpets in the home or place of business of his respective customers.

Where a person or company operates in a dual capacity, which is to say, cleaning and dyeing of rugs in his own business establishment and also cleaning of rugs and carpets in the home or place of business of his customer, he would be liable for the license and the tax measured by the gross proceeds of the entire business, unless he can separate the two. Where he can satisfactorily separate the two, he should pay the tax on all supplies, machinery, equipment, etc., used in his house to house cleaning but would be entitled to the statutory exemptions at his plant and would he owe the tax there on the gross proceeds from his cleaning and dyeing operations.

### **117-303.3. Furnishing Laundry Services, Etc. to Ships.**

The gross proceeds accruing or proceeding from the business of providing or furnishing any laundering, dry cleaning, dyeing or pressing service, to ships for use or consumption aboard such ships in intercoastal trade or foreign commerce are exempt from the tax by reason of Code Section 12-36-2120(13).

### **117-303.4. Cleaning, Glazing, Dyeing and Storing Furs.**

The gross proceeds accruing or proceeding from the cleaning, glazing and/or dyeing of furs are subject to the tax. Charges for storage, as such, when made separate and apart from any charges for cleaning, glazing and/or dyeing of furs are excluded from the measure of the tax.

**HISTORY: Added by State Register Volume 26, Issue No. 6, Part 2, eff June 28, 2002.**