Sales and Use Tax Division
North Carolina Department of Revenue
Post Office Box 25000
Raleigh, North Carolina 27640-0001
www.dornc.com

IMPORTANT NOTICE: ADDITIONAL INFORMATION REGARDING REAL PROPERTY CONTRACTS AND RETAIL SALES OF REPAIR, MAINTENANCE, AND INSTALLATION SERVICES TO REAL PROPERTY

The following list provides general guidance to assist with making a determination as to whether a transaction is a real property contract with respect to a capital improvement to real property; subject to tax as a retail sale of repair, maintenance, and installation services to real property; or exempt from sales and use tax. Refer to Directive SD-16-3: Real Property Contracts, Directive SD-16-4: Repair, Maintenance, and Installation Services, and the Important Notice: Form E-589CI, Affidavit of Capital Improvement, available on the Department's website for additional information regarding the application of the sales and use tax laws to real property contracts with respect to a capital improvement and repair, maintenance, and installation services.

Listed transactions herein will ***generally*** constitute a real property contract with respect to a capital improvement to real property when performed for new construction, reconstruction, or remodeling. See SD-16-3 for transactions expressly listed as capital improvements in N.C. Gen. Stat. § 105-164.4H(e)(1) and taxed as real property contracts. For purposes of this notice and the list provided herein, the following apply:

- Sales and use taxes do not apply to the gross receipts derived from a real property contract with respect to a capital improvement.
- The sales price of or the gross receipts derived from services performed to resolve an issue that was part of a real property contract if the services are performed within six months of completion of the real property contract or, for new construction, within 12 months of the new structure being occupied for the first time are subject to tax as a real property contract with respect to a capital improvement.
- The term "initial installation" utilized herein refers to the performance of work in connection with new construction.
- Where the term "installation" is used without the adjective "initial" and there is an "X" in the capital improvement column, the installation of such item is a capital improvement no matter that such item may not be part of new construction, reconstruction, or remodeling.
- An addition or an alteration to real property for or by a lessee or tenant, provided it is intended to become a permanent installation and title to it vests in the owner or lessor of the real property immediately upon installation, is a real property contract.
- The term "capital improvement" does not include the replacement of a fixture in or on a building or structure unless the replacement is part of remodeling.
- Remodeling does not include a transaction that is a single repair, maintenance, and installation service unless such service is expressly listed as a capital improvement by statute.
- Where "repair and maintain" or "repair or maintain" are used in the list, it is intended that such meet the definition of "repair, maintenance, and installation services" as the definition is amended for sales on or after January, 1, 2017.
- The gross receipts from an item listed as "Taxable" in the Repair, Maintenance, and Installation Services ("RMI") column may be exempt and the transaction taxed as a real property contract where a permit under the State Building Code is required and provided such is not a single repair, maintenance, or installation service or a repair or replacement of electrical components, gas logs, water heater, and similar items.

This list is not specific tax advice. The application of sales and use tax may differ based on the facts and circumstances of a particular transaction. A person who wishes to obtain specific tax advice from the Department may do so pursuant to the Written Determination Policy available on the Department's website. The list is not an all-inclusive list and may be updated in the future by the Department.

March 17, 2017

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Transactions by Category	**Capital Improvement** Gross Receipts are Exempt from Sales and Use Tax	**Repair, Maintenance, and Installation Services** Sales Price or Gross Receipts are Taxable Unless Exemption Applies
Air Cleaners		
"Initial installation" or replacement of a complete central air cleaner unit or system (excludes self-contained air cleaners)	X	
Repair, maintain, or replace a component part: collector plates, electronic plates, filters, power boxes, return, air ducts, and sails		Taxable
Air Conditioners (other than central air conditioning systems) *(see also* **-** *Central Air Conditioning)*		
Installation or complete replacement of through-the-wall mounted air conditioner unit or system	X	
Repair or maintain through-the-wall mounted air conditioner		Taxable
Repair, maintain, or replace a component part: air flow controls, air handlers, blowers, casings, copper tubing, fan, motors, filters, grilles		Taxable
Installation or complete replacement of a window air conditioner		Taxable
The addition, replacement or change in the design of air where a permit is required under the NC State Building Code	X	
Bathrooms *(see also - Electrical, Plumbing, and Walls)*		
A replacement or a repair of: cabinets, sink/vanity, toilet, tub, exhaust fan, tub/shower enclosure (non-tile), mirror, lighting fixture, faucet, shower head, various knobs, or other individual items or fixtures		Taxable
Remodel (replace toilet, tub, vanities, shower insert, paint, etc.)	X	
Brickwork & Masonry		
"Initial installation" or complete replacement of: stairs/steps, walls, fireplace, exterior surfaces	X	
Repointing		Taxable
Sandblasting		Exempt
Replacing damaged bricks		Taxable
Crack repair		Taxable
Installation or replacement of brick driveways, sidewalks, or patios	X	
Repair or maintain a brick patio		Taxable
Repair or maintain a brick driveway or sidewalk		Exempt
Central Air Conditioning		
Installation or replacement of central air conditioning unit or system	X	
Installation or replacement of entire ductwork system	X	
Repair, maintain, or replace a component part: blowers, coils, condenser coils, control devices, ductwork sections, excess moisture drains, fans, filters, refrigerant, refrigerant tubes		Taxable
Central air condition unit or system service contracts	Important Notice: Service Contracts 11/15/16	
Central Wired Audio Sound System		
"Initial installation"	X	
Replace, repair, or maintain system		Taxable
Installation of components or system for existing real property (sales of audio components that do not become part of real property are sales of tangible personal property including for new construction)		Taxable
Audio sound components - Install, repair, or maintain (sales of audio components that do not become part of real property are sales of tangible personal property. E.g. Receiver, etc.)	Taxable (Separately Stated Installation Charges Identified as Such on the Invoice or Documentation Given to the Real Property Contractor at the Time of the Sale are Exempt)	

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Transactions by Category	**Capital Improvement** **Gross Receipts are Exempt from Sales and Use Tax**	**Repair, Maintenance, and Installation Services** **Sales Price or Gross Receipts are Taxable Unless Exemption Applies**
Certain Capitalized Equipment or Fixtures		
Installation of equipment or fixture that is attached to real property so that removal of the item would cause physical, functional, or economic damage to the property and that is capitalized under one or more of the following: the Internal Revenue Code, GAAP, or International Financial Reporting Standards	X	
Repair or maintain certain **qualifying** capitalized equipment or fixtures		Taxable
Repair, maintain, install, or replace component parts of certain qualifying capitalized equipment or fixtures		Taxable
Chimneys & Fireplaces		
"Initial installation" or complete replacement of chimneys	X	
Addition of flue or liner (metal or foam)		Taxable
Chimney cleaning/sweeping		Exempt
Installation of spark arrestors to existing chimney		Taxable
Repair, maintain, install or replace flue or liner		Taxable
Sealing of flashings (not associated with roof replacement)		Taxable
Repair, maintain, or replace a component part: caps, damaged brick or stone, flashings, loose mortar, pots, rain and draft deflectors, ash pits, cold air inlets, dampers, damper controls, fireboxes, firebricks, fire chambers, headers, hearths, mantels, smoke chambers, smoke shelves, warm air outlets		Taxable
Cleaning Real Property		
Ductwork (remove mold, dust, etc.)		Exempt
Gutters		Exempt
Mold remediation services (*see appropriate section for any underlying work performed other than removal of mold only)		Exempt*
Janitorial services		Exempt
Power wash real property (buildings, structures, concrete patios, driveways, etc.)		Exempt
Window cleaning		Exempt
Commercial Refrigeration Equipment		
Replacement or installation of commercial refrigeration systems	X	
Repair or maintain commercial refrigeration systems (other than installation or replacement of systems)		Taxable
Repair, maintain, install, or replace component parts or portion of commercial refrigeration systems		Taxable
Commercial refrigeration service contracts	Important Notice: Service Contracts 11/15/16	
Concrete & Stonework		
"Initial installation" or replacement of: stairs/steps, walls, block walls, exterior surfaces	X	
Crack repair		Taxable
Installation or complete replacement of a new driveway, sidewalk, or patio	X	
"Initial installation" or replacement of footings and foundations	X	
Repair or partial replacement of footings and foundations		Taxable
Repair of a driveway or sidewalk		Exempt

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Transactions by Category	**Capital Improvement** Gross Receipts are Exempt from Sales and Use Tax	**Repair, Maintenance, and Installation Services** Sales Price or Gross Receipts are Taxable Unless Exemption Applies
Concrete & Stonework *(cont'd)*		
Repair of a patio, chimney, stairs/steps, walls, fireplace		Taxable
Decks *(see also - Patios)*		
Installation, replacement, or expansion of decks	X	
Repair, maintain, or replace a component part: floor of deck, components, deck boards, and railings		Taxable
Waterproofing, staining, painting, or varnishing decks	X	
Cleaning or power washing decks		Exempt
Doors		
Installation or replacement of interior, exterior, storm, garage, and other doors with or without related hardware (may or may not include replacement of door frames)		Taxable
Varnishing, staining, or painting doors	X	
Installation of the following in an existing door: closers, openers, moldings, kick plates, mail slots, peepholes, thresholds, weather stripping		Taxable
Repair maintain, install, or replace: doors, door frames, casings, closers, door knobs, glass panes, handles, head jambs, hinges, jambs, locks, latches, locksets, panels, saddles, screens, stiles, stops, thresholds, top rails, weather stripping		Taxable
Lubricate, adjust, tighten, etc.		Taxable
Garage door service contracts	Important Notice: Service Contracts 11/15/16	
Drainage		
Culvert (Ditch, driveway, etc.)	X	
French drain	X	
Storm drainage system	X	
Driveways, Parking Lots, Roads, and Sidewalks		
Installation or complete replacement of roads, driveways, parking lots, and sidewalks (asphalt, concrete, crushed stone, paver, etc.)	X	
Services on roads (including resurfacing or patching holes), driveways, parking lots, and sidewalks		Exempt
Landscaping services of parking lot islands	X	Exempt
Re-striping (line painting) parking lots and other road surfaces		Exempt
Electrical		
"Initial installation" of wiring or complete rewiring of real property	X	
Repair, maintain, install telephone wiring, speaker wire, computer cable or coaxial cable but does not include installation of underground utilities		Taxable
Existing real property: Repair, maintain, install, or replace electrical components, circuit breakers, outlets, receptacles, switches, fluorescent fixture parts (ballasts, starters, tubes), fuses, light bulbs, floor outlets, fluorescent fixtures, lighting fixtures, street light bulbs, metal raceways, multi-outlet strips, wall boxes, wall fixtures,		Taxable
The addition, replacement or change in the design of electrical wiring where a permit is required under the NC State Building Code	X	
"Initial installation" of landscape lights, lamp posts, etc.	X	
Repair, maintain, install, or replace landscape lights, lamp posts, etc.		Taxable

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Electrical *(cont'd)*		
Generator (whole residence, commercial backup) – "initial installation," install, or replace	X	
Generator – repair, maintenance		Taxable
Exterior		
"Initial installation" or complete replacement of entire existing siding	X	
New construction or reconstruction of: porches, decks, garages, homes, pole barns	X	
Water wells - Deepen existing wells or drill/bore new wells	X	
Excavation, site preparation, debris removal, land clearing, and grading	X	
"Initial installation" of awnings (other than canvas), gutter and downspout systems, louvers, and shutters	X	
Repair, maintain, install or replace gutter and downspout systems for existing real property		Taxable
Docks (non-floating) and piers: new construction or reconstruction of permanent	X	
Docks (floating): construction or reconstruction		Taxable
Installation of canvas awnings to existing real property		Taxable
Repair, replacement, or maintenance of: canvas awnings; fence pickets, posts, rails, or sections; flashings; gates; shingles (partial); siding (partial); patios, roof decks, or water well pumps		Taxable
Fee or Charge for an Inspection Required by Law – provided fee or charge is separately stated on invoice or other documentation provided to the purchaser at the time of the sale		
Building permits for real properties		Exempt
State, county, and local inspections for real property		Exempt
Floors and Flooring		
"Initial installation" of floorings such as carpet, carpet padding, linoleum, vinyl tile, ceramic tile, wood, terrazzo, marble, concrete, raised, and other similar floors	X	
Complete or partial replacement of floorings such as carpet, carpet padding, linoleum, vinyl tile, ceramic tile, wood, terrazzo, marble, concrete, raised, and other similar floors (no matter that the flooring material installed differs from the original flooring material)		Taxable
Waterproofing, painting, staining, and varnishing floors	X	
Repair, maintenance, or partial replacement of floorings (includes carpet stretching)		Taxable
Refinishing existing floors		Taxable
Heating Unit or System		
"Initial installation," installation, or replacement of heating unit or system (excluding free-standing)	X	
Installation or complete replacement of permanent electric heating units or systems (boilers, electric furnaces, gas furnaces, heat pump units, oil furnaces, radiant heat systems, warm air duct systems)	X	
An addition, replacement or change in the design of heating system where a permit is required under the NC State Building Code	X	
Repair, maintain, or replace baseboard heaters, components, wall heaters		Taxable

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Transactions by Category	Capital Improvement Gross Receipts are Exempt from Sales and Use Tax	Repair, Maintenance, and Installation Services Sales Price or Gross Receipts are Taxable Unless Exemption Applies
Heating Unit or System *(cont'd)*		
Repair, maintain, or replace a component part: air handler, air tubes, air vent valves, angle boots, automatic air vents, blowers, boiler tubes, burner guns, burner heads, circulators, circulating pumps, coils, cold air returns, condensers, coils, controls, dampers, drain cocks, drain valves, draft hoods, duct sections, elbows, endcaps, expansion tanks, elements, expansion tanks, feed lines, filters, floor diffusers, fuel lines, furnace controls, fuses, gauges, low-voltage terminals, main valves or shutoffs, motors, pilot gas lines, pipe, pipe sections, plenums, plenum takeoffs, pressure controls, pressure regulators, radiators (including bleeding), refractory firepots, relays, relief valves, return lines, return mains, returns, safety control valves, sequencers, side stack takeoffs, starting collars, strainer pumps, supply lines, supply stack heads, thermostats, thermocouples, transformers, vent pipes, vents, water supply lines, or wet returns		Taxable
Gas logs: "initial installation"	X	
Repair, maintain, or replace gas logs or parts thereof		Taxable
Heating unit or system service contracts	Important Notice: Service Contracts 11/15/16	
Heating - Wood Burning Furnace, Boiler, Stove *(see also - Chimneys & Fireplaces)*		
Installation or replacement of wood burning furnaces, boilers, or stoves (Including strengthening floors and fireproofing walls and floors)	X	
Repair or maintain a wood burning furnace, boiler, or stove		Taxable
Hot Water Heaters		
"Initial installation" of hot water heaters	X	
Repair, maintain, or replace a hot water heater		Taxable
Repair, maintain, or replace a component part: anode rods, burners, casing covers, connectors, drain pipes, drain valves, draft diverters, flue baffles, flue bodies, flue collars, glass inner tanks, heating elements, inlet-outlet pipes, outlet pipes, tank linings, temperature control knobs, temperature pressure relief valves, thermocouples, thermostats		Taxable
Humidifiers		
"Initial installation" of a permanently installed humidifier	X	
Repair, maintain, or replace a humidifier or a component part including evaporator pads, fans, or motors		Taxable
Kitchens *(see also - Electrical, Plumbing, and Walls)*		
"Initial installation" of: built-in dishwashers, built-in freezers, built-in ranges, built-in refrigerators, built-in ovens, ducted hood	X	
Painting, varnishing, or staining cabinets	X	
Reface cabinets (other than painting, varnishing, or staining)		Taxable
Appliances (free-standing) - Install, repair, or maintain (sales of free-standing appliances are sales of tangible personal property)	Taxable (Separately Stated Installation Charges Identified as Such on the Invoice or Documentation Given to the Real Property Contractor at the Time of the Sale are Exempt)	
Appliance service contracts	Important Notice: Service Contracts 11/15/16	
Repair, maintain, install, or replace: cabinets, cabinet doors, countertops, dishwashers, ducted or ductless hoods, exhaust fans, faucets, freezers, garbage disposals, ovens, ranges, refrigerators, sinks		Taxable

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Transactions by Category	**Capital Improvement** Gross Receipts are Exempt from Sales and Use Tax	**Repair, Maintenance, and Installation Services** Sales Price or Gross Receipts are Taxable Unless Exemption Applies
Landscaping and Yard Care *(see also – Driveways, Parking Lots, Roads, and Sidewalks)*		
Installation or complete replacement of: fences (permanent), flagstone walks, patio block walks, other types of walks, fountains (except free-standing), sprinkler systems	X	
Repair, maintain, install, or replace landscape lights		Taxable
Plant, maintain, install, or replace lawns (includes sod), flowers (perennials and annuals), shrubs, and trees	X	Exempt
Repair, maintain, or install free-standing fountains		Taxable
Repair, maintain, or install temporary or moveable ponds		Taxable
Apply fertilizers, herbicides, and pesticides	X	Exempt
Mow lawns, aerate, reseed, over seed, sod bare spots	X	Exempt
Prune, winter bank, fertilize trees or shrubs	X	Exempt
Removal without replacement of trees or shrubs	X	Exempt
Repair fences and gates		Taxable
Repair, maintain, install, or replace component parts in underground lawn sprinkler systems: centrifugal pumps, remote control valves, sprinkler controllers, pump controllers, sections or piping, sprinkler heads		Taxable
Repair, maintain, install, or replace fence fabric		Taxable
Miscellaneous		
Asbestos removal	X	
Astroturf	Depends on transaction and/or the manner of installation (See SD-16-3 and SD-16-4 for additional information)	
Attic ladder – repair, maintain, install, or replace (other than “initial installation”)		Taxable
Central vacuum system – “initial installation,” installation, or replacement of entire system	X	
Central vacuum system – repair, maintain, install or replace a component part		Taxable
Construction sites – temporary heat, electric, plumbing (provided such are not free-standing)	X	
Custom closets – repair, maintain, install, or replace (other than “initial installation”)		Taxable
Demolition of a building or structure	X	
Debris removal from construction sites, dumpsters, and other structures	X	Exempt
Epoxy coatings – apply on real property	X	
Elevators – “initial installation” or complete replacement	X	
Escalator – “initial installation” or complete replacement	X	
Elevators and escalators – repair, maintain, install, or replace a component part		Taxable
Fire sprinkler system connected to water supply systems –installation or replacement	X	
Fire sprinkler system connected to water supply systems – repair, maintain, install, or replace component parts		Taxable
Fire or smoke detectors – “initial installation”	X	

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Miscellaneous *(cont'd)*		
Fire, water, and wind damage (*see appropriate section for work performed)	X*	Taxable*
Hurricane shutters – repair, maintain, install, or replace for existing real property		Taxable
Insulation – "initial installation"	X	
Insulation – repair, maintain, or install – generally		Taxable
Installation or replacement of: attic fans (portable), independent smoke, heat, or carbon monoxide detectors, mail boxes (installed on wall or post), flagpole		Taxable
Mailbox – repair, maintain, install, replace (other than "initial installation"		Taxable
Pest control service		Exempt
Playset – repair, maintain, install, or replace (generally other than "initial installation")		Taxable
Satellite dishes – repair, maintain, install, or replace		Taxable
Reconstruction of damaged real property (other than a single repair, maintenance, and installation service)	X	
Storage shed constructed on-site attached to foundation	X	
Storage shed (pre-fabricated) placed on skids, ground, or otherwise not attached to a permanent foundation (sales of pre-fabricated storage sheds are sales of tangible personal property)	Taxable (Separately Stated Installation Charges Identified as Such on the Invoice or Documentation Given to the Real Property Contractor at the Time of the Sale are Exempt)	
Storage tanks – repair, maintain, install or replace (other than install or replace septic tanks)		Taxable
Water fountain for human consumption (wall or floor mounted – other than "initial installation")		Taxable
Painting or Wallpapering		
Painting real property (cabinets, decks, doors, floors, shutters, porches, walls, etc.)	X	
Wallpapering real property	X	
Patios		
Installation or complete replacement of: blacktop patios, concrete patios, flagstone patios, block patios, brick patios, wood patios	X	
Waterproofing, staining, painting, or varnishing existing patios	X	
Repair or patch holes or cracks		Taxable
Replace sections of concrete patios (other than cracks, holes, and similar issues)		Taxable
Replacement of blocks and flagstones		Taxable
Plumbing - Piping		
New additions (expansions) to piping system (includes a change in the design of plumbing that adjusts the size or capacity where a permit is required under the NC State Building Code)	X	
Excavation required for installation or complete replacement of piping systems	X	
Repair of pipes or fittings		Taxable
Repair, maintain, install water softeners and well pumps		Taxable

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Transactions by Category	**Capital Improvement** **Gross Receipts are Exempt from Sales and Use Tax**	**Repair, Maintenance, and Installation Services** **Sales Price or Gross Receipts are Taxable Unless Exemption Applies**
Plumbing - Piping *(cont'd)*		
Repair, maintain, or replace: air chambers, cabinets, relief valves, shutoff valves, storage tanks (other than replace septic tank), traps		Taxable
Thawing frozen pipes		Taxable
Installation of whole-house water filtration system (unless permit under the NC State Building Code required)		Taxable
"Initial installation" of whole-house water filtration system	X	
Installation of under sink water filtration system		Taxable
Unclog main drain pipes, water lines, and various plumbing fixtures		Taxable
Stop water leaks		Taxable
Plumbing - Sinks		
"Initial installation" of sinks and sink fittings	X	
Replacement of sinks and sink fittings		Taxable
Repair, maintain, or replace a component part: aerators, bottom cages, couplings, diverter assemblies, escutcheons, faucets, handles, handle assemblies, hose assemblies, hose guides, inlet seals, locknuts, connectors, packing nuts, seats, spouts, spray heads, stems, traps, washers		Taxable
Unclog sink drains		Taxable
Plumbing - Toilets		
"Initial installation" of toilets and fittings	X	
Replacement of toilets and fittings		Taxable
Repair, maintain, install, or replace a component part: float arms/balls, flush handles, guide arms, inlet valves, lift wires, plungers, tank balls, tank drains, toilet seals, toilet seats, trip sleeves, tubes, valve seats, washers		Taxable
Unclog toilet		Taxable
Plumbing - Tubs and Showers		
"Initial installation" (including fittings) of: shower stalls, tubs, tub enclosures	X	
Replacement (including necessary fittings) of: shower stalls, tubs, tub enclosures		Taxable
Repair enclosures		Taxable
Repair, maintain, install, or replace a component part: automatic diverters, cartridges, ears, faucets, faucet heads, handles, red flats, retainer clips, shower bases, shower heads, stems, stop tubes, traps, washers		Taxable
Unclog tub and/or shower drains		Taxable
Roofs and Roofing Materials		
Installation of roofing systems	X	
Complete replacement of roofing systems	X	
Application of roof coating to existing roofs		Taxable
Repair, maintain, or replace (other than complete replacement) all types of roofs or roofing materials (asphalt, shingle, slate, tile, built-up, metal, single ply)		Taxable

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Roofs and Roofing Materials *(cont'd)*		
Repair, maintain, or replace the following items or accessories: copings, cornices, drip edges, electric heating tape, expansion joints, flashings (all types), gravel stops and fascia, heating cables, louvers and screens, metal or composition valleys, metal ornaments, metal stacks, rain and draft deflectors, shingles (all types), skylights and scuttles, snow guards, and snow slides		Taxable
Security Systems		
"Initial installation" of security system	X	
Repair, maintain, install, or replace security system for existing real property		Taxable
Repair, maintain, install, or replace a component part or an accessory of any security system		Taxable
Septic, Septage, and Sewer Systems		
Excavation for installation	X	
"Initial installation" of septic system: distribution boxes, dry wells, grease traps, leach fields, lines, seepage pits, septic tanks	X	
Clean or pump out septic tank or grease trap		Exempt
Replacement or installation of a septic tank or septic tank system	X	
Repair, maintain, or replace a component part: distribution boxes, dry wells, grease traps, leach fields, lines, pump, seepage pits		Taxable
Removal of septage from portable toilets		Taxable
Removal of septage from boats, aircraft, trains, and motor vehicles		Exempt
Signage		
Traffic signs (single sign and pole)		Taxable
"Initial installation" of signs on a building, structure, or fixture on land including a billboard	X	
Repair, maintain, replace painted lettering or painted signage on a building, structure, or fixture on land	X	
Repair, maintain, or replace signage (other than painting)		Taxable
Stairs		
Eliminate squeaks		Taxable
Tighten loose balusters		Taxable
Repair, maintain, or replace: balusters, handrails, newels, risers, termite damage, treads, wet and dry rot, stair boards		Taxable
Sump Pumps		
Dig sump pump holes	X	
"Initial installation" of permanent sump pumps	X	
Repair, maintain, or install permanent sump pumps for existing real property		Taxable
Replace or install portable sump pumps for existing real property		Taxable
Repair, maintain, or replace (in permanent or portable sump pumps): floats, electrical cords, motors, piping and connectors, pump suction heads, shutoff switches		Taxable

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Swimming Pools		
Installation of in-ground swimming pool, including excavation work completed in connection with the installation	X	
Clean in-ground swimming pool walls or liner, vacuum in-ground pool to remove leaves or other debris		Taxable
Replacement of liner for in-ground swimming pool		Taxable
Replaster and/or retile in-ground swimming pool		Taxable
Repair, maintain, or replace the heater for in-ground swimming pool		Taxable
Installation or replacement of: above ground swimming pool including pumps, filters, heater for above ground swimming pool		Taxable
Repair or maintenance of above ground swimming pool, including: clean, liner , pump, and heaters		Taxable
Swimming pool service contracts	Important Notice: Service Contracts 11/15/16	
Utilities - Underground		
Electrical distribution wire or cable - installation	X	
Fiber optic cable for distribution of video programming - installation	X	
Piped natural gas distribution infrastructure and underground system - installation	X	
Telephone distribution wire and cable - installation	X	
Repair, maintain or install underground utility component parts other than for tangible personal property – generally (other than noted below)		Taxable
Repair, maintain or install underground utility component parts; provided such are for a transmission, distribution, or other network asset contained on utility-owned land, right-of-way, or easement		Exempt
Ventilation		
"Initial installation" of ventilation unit or system	X	
Installation or complete replacement of permanent: attic fans, exhaust fans, gable vents, roof vents, soffit vents, wind turbines	X	
Installation or replacement of portable attic or other type portable fans		Taxable
Repair, maintain, or replace a component part of an attic or exhaust fan: bearings, blades, motors, shutters		Taxable
Walls		
"Initial installation" of baseboards and trim	X	
"Initial installation" and finishing of drywall	X	
Fixing nail pops		Taxable
Patching cracks (other than as part of a painting service)		Taxable
Painting new, existing, or completely replaced walls (including murals)	X	
Removal of a wall	X	
Wallpaper new, existing or replaced walls	X	
Waterproof new, existing or replaced walls (excludes items deemed painted materials)		Taxable
Regrout ceramic tile		Taxable
Repair dents, split wallboard tape, termite damage, wet or dry rot		Taxable

Disclaimer**: **<u>This list is not specific tax advice.</u>** **The application of sales and use tax may differ based on the facts and circumstances of a particular transaction.

Transactions by Category	**Capital Improvement** **Gross Receipts are Exempt from Sales and Use Tax**	**Repair, Maintenance, and Installation Services** **Sales Price or Gross Receipts are Taxable Unless Exemption Applies**
Walls *(cont'd)*		
Replace or repair ceramic features, damaged ceramic tiles, existing baseboards, existing molding, existing trim, wallboard panels, wood panels		Taxable
Stop water leaks		Taxable
Windows		
"Initial installation" of complete windows (frame/sash)	X	
Single or complete replacement of windows (frame/sash)		Taxable
"Initial installation" of window film or coating	X	
Installation or complete replacement of permanent combination storm windows		Taxable
Repair, maintain, install, or replace permanent window shutters for existing property		Taxable
Apply putty, window film, or coating to existing windows		Taxable
Caulk existing windows (interior/exterior)		Taxable
Eliminate sticking, lubricate sashes		Taxable
Install or replace drapery rods/hardware, shades, valances, venetian blinds, window quilts, and other window treatments (window treatments are generally sales of tangible personal property)		Taxable
Repair, maintain, or install : glass, windows, window frames, window sills		Taxable
Repair, maintain, or install: aprons, balances, frames, hardware (latches/handles/ locks, etc.), inside stops, parting strips, pocket covers, sash balances, sash cords, sash stiles, sash weights, sash weight pulleys, side casings, side jambs, stools, storm window panes or screens, window frames, window panes (glass or plastic), window sills, yoke or head jambs		Taxable