BACKGROUND

• What is a Sales Tax Holiday?

• What’s Covered?

• Limitations?
STATES WITH SALES TAX HOLIDAYS, 2014

- **No Tax**
- **No Holiday**
- **Sales Tax Holiday**
- **2015**
SALES TAX HOLIDAY OBSERVATIONS

• Consumers Win
  – Tax Savings
  – “Beat the Man”

• Local Businesses Win
  – Similarities to Black Friday
  – Increased Store Traffic = Increased Sales

• States Win
  – Incremental Tax Revenue
  – Attracts Visitors from neighboring states
SALES TAX HOLIDAY OBSERVATIONS

• Accurate Scoring
  – Account for incremental tax revenue
  – Washington Economics Group Study
  – University of Cincinnati Study
Who Likes Sales Tax Holidays?

• Consumers

• Local Businesses

• Legislators