
DEPARTMENT OF STATE REVENUE

Information Bulletin #27
Sales Tax
April 2023
Effective Date: Upon Publication
(Replaces Bulletin #27, dated September 2019)

SUBJECT: Barbers and Beauticians

REFERENCES: [IC 6-2.5-4-1](#); [45 IAC 2.2-1-1](#); [45 IAC 2.2-4-2](#)

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SUMMARY OF CHANGES

Only nonsubstantive, technical changes have been made to this bulletin. It has been primarily changed to reflect updated formatting and to include a new introduction section.

INTRODUCTION

The purpose of this bulletin is to provide guidance concerning the taxability of services performed by barbers and beauticians, as well as supplies purchased for consumption or for sale by barbers and beauticians.

SERVICES PERFORMED BY BARBERS AND BEAUTICIANS

Services provided by barbers and beauticians are not subject to Indiana sales tax. Such services include permanents, shaves, haircuts, extensions, braids, braiding, and dye services.

SUPPLIES USED BY BARBERS AND BEAUTICIANS

A barber or beautician is liable for Indiana sales tax on the purchase of all supplies and equipment used in the course of performing hair services. Indiana sales tax should normally be paid on these items at the time of purchase.

Example: A beauty shop purchases shampoos, hair rinses, hair dryers, hair dye, foils, and combs. These purchases are used in the course of performing hair services and are subject to Indiana sales tax.

SUPPLIES PURCHASED FOR SALE

A barber and beautician who purchases products for the purpose of resale must register with the Department as a retail merchant and collect and remit tax on all product sales. Sales tax is not due on the original purchase of these products if purchased for the purpose of resale. Examples include shampoos, conditioners, dry shampoo, hair spray, hair paste, and hair oils.

OFFICE EQUIPMENT

The purchase of furnishing, office equipment, and utilities used by a barber or beautician in the operation of a barber shop or salon is subject to Indiana sales tax. Examples include hair dryers, stylist chairs, bookshelves, computers, mirrors, foils, brushes, water, and electricity.

If you have any questions concerning this bulletin, please contact the Tax Policy Division at taxpolicy@dor.in.gov.

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Commissioner

Posted: 05/03/2023 by Legislative Services Agency
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