

## GOVERNOR WOLF'S SALES TAX PROPOSAL BASE CHANGE

***Governor Wolf's proposal maintains the following sales tax exemptions, many of which protect Pennsylvania's most vulnerable residents:***

- Food
- Clothing and Footwear
- Prescription Drugs and Orthopedic Equipment
- Gasoline and Motor Fuels
- Physician & dental services
- Manufacturing and Processing Equipment
- Hospitals
- Tuition (college, vocational training & instruction)
- Exempt Governmental Units
- Residential Utilities: Telephone, Electricity, Fuel Oil and Natural Gas
- Water and Sewage Services
- Trade-In Value
- Purely Public Charities
- Liquor or Malt Beverages Purchased from Bars and Restaurants
- Common Carriers

***The following items and services, many of which are taxed in other states, but have been protected by special interests in Pennsylvania, would become subject to sales tax:***

### GENERAL/PERSONAL ITEMS

- Candy & Gum
- Personal Hygiene Products
- Newspapers
- Magazines
- Non-Prescription Drugs
- Caskets & Burial Vaults
- Flags
- Textbooks
- Catalogs & Direct Mail Advertising

### OTHER ITEMS

- Airline Catering
- Commission
- Horses
- Construction Of Memorials
- Uniform Commercial Code Filing Fees
- Investment Metal Bullion & Investment Coins
- Cable Television

***SERVICES (Business-to-business purchases of these services will remain exempt from sales tax, in the interest of helping businesses grow.)***

- Transportation
- Motion Picture and Video Industries
- Other Financial Investment Activities
- Real Estate Agent and Broker Services
- Legal Services
- Accounting Services
- Specialized Design Services
- Scientific Research and Development Services
- Advertising Services
- Other Professional Services
- Employment Services
- Business Support Services
- Travel Arrangement Services
- Other Support Services
- Waste Collection
- Higher Education
- Home Health Care Services
- Other Ambulatory Health Care Services
- Nursing and Residential Care Facilities
- Social Assistance
- Performing Arts
- Spectator Sports
- Museums, Historical Sites, and Similar Institutions
- Amusement and Recreation Industries
- Recreational Vehicle Parks and Recreational Camps
- Personal Care Services
- Death Care Services
- Drycleaning and Laundry Services
- Other Personal Services