



The University of Georgia

College of Agricultural and Environmental Sciences



Food and Beverage Sales Tax Regulations

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One of the most frequently asked questions from prospective entrepreneurs in the food industry is: Are my products exempt from sales tax? Yes and No! Food and beverage products are exempt from the 4% state sales taxes, however, local sales taxes still apply. For example, in a county with a 7% sales tax rate, food and beverages are only taxed on the additional local government tax of 3%. Therefore, only 3% instead of 7% of gross taxable sales of the total amount collected need to be turned in to the local government.

After several conversations with a Georgia Department of Revenue representative, the CAED learned that all type of food products regardless of where they are sold (i.e., pick-your-own, roadside stands, etc.) as well as fresh and processed food products are all exempt from the state sales tax. However, all retail food product sales are subject to local county and/or city sales taxes. Internet sales tax is dependent on the buyers county of residence if the product is sold in state. Sales taxes do not need to be collected for products sold out of state.

See the following list of exemptions by sales tax bracket generated by the Georgia Department of Revenue. The figures contained in the following tables are available on the Georgia Department of Revenue's website¹. The CAED suggest you consult with your local Georgia Department of Revenue office to ensure you are utilizing the correct sales tax percentage to ensure compliance with the local governments.

¹www2.state.ga.us/departments/dor/salestax/1998fdbrkt.shtml

Table 1. State of Georgia Official Bracket for Eligible Food and Beverage Exemption Effective October 1, 1998 (Rev. 07-01-02)		
7% COUNTY (**Except DeKalb, Taliaferro & Webster Counties); USE THE 3% BRACKET		
On Sales of:	Collect:	<p>*No amount need be collected on sales of less than 11 cents. However, every dealer is required to remit 3% of gross taxable sales of the total amount collectible under this bracket system, whichever is greater.</p> <p>Use of this bracket system does not relieve the retail dealer from liability to remit tax at the rate of 3% of aggregate taxable sales arising from sales of less than 11 Cents.</p> <p>**The Homestead Option Tax imposed in DeKalb & Rockdale Counties & Local Option Tax in Taliaferro and Webster Counties are subject to the eligible food and beverage exemption.</p>
10 cents or less	*No Requirement	
11 cents thru 35 cents	1 cent	
36 cents thru 66 cents	2 cents	
67 cents thru \$1.00	3 cents	
Over \$1.00	3 cents plus	

Table 2. 6% County (Except Rockdale County) & **7% Dekalb, Taliaferro & Webster Counties; Use the 2% Bracket		
On Sales of:	Collect:	<p>*No amount need be collected on sales of less than 11 cents. However, every dealer is required to remit 3% of gross taxable sales of the total amount collectible under this bracket system, whichever is greater.</p> <p>Use of this bracket system does not relieve the retail dealer from liability to remit tax at the rate of 2% of aggregate taxable sales arising from sales of less than 25 cents.</p> <p>**The Homestead Option Tax imposed in DeKalb and Local Option Tax in Taliaferro & Webster Counties are subject to the eligible food and beverage exemption.</p>
25 Cents or less	* No Requirement	
26 cents thru 60 cents	1 cent	
61 cents thru \$1.00	2 cents	
Over \$1.00	2 cents plus	

Table 3. 5% COUNTY; & 6% ROCKDALE COUNTY: USE THE 1% BRACKET		
On Sales of:	Collect:	* No amount need be collected on sales of less than 50 cents. However, every dealer is required to remit 1% of gross taxable or the total amount collectible under this bracket system, or whichever is greater.
50 cents or less	* No Requirement	Use of this bracket system does not relieve the retail dealer from liability to remit tax at the rate of 1% of aggregate taxable sales arising from sales of less than 50 cents.
51 cents thru \$1.00	1 cent	
Over \$1.00	1 cent plus	
** The Homestead Option Tax imposed in DeKalb & Rockdale Counties & Local Option Tax in Taliaferro and Webster Counties are subject to the eligible food and beverage exemption.		

Table 4. 4% COUNTY; USE THE 0% BRACKET		
On Sales of:	Collect:	* No amount need be collected on any sales of eligible food and beverage
\$1.00 or less	No Requirement	
\$1.00 or more	No Requirement	

For more information Contact our Area Georgia Department of Revenue Office.

Table 5. Georgia Department of Revenue Office					
Office	Address	City	Zip Code	Phone	Fax
Albany Regional Office	2700 Palmyra Road	Albany	31707	(229) 430-4241	(229) 430-3922
Athens Regional Office	190 Ben Burton Circle	Bogart	30622	(706) 542-6058	(706) 542-9973
Atlanta Regional Office	4245 International Parkway	Hapeville	30354	(404) 968-0480	
Augusta Regional Office	Interstate W. Office Park, Suite 310 1054 Claussen Road	Augusta	30907	(706) 737-1870	(706) 731-7956
Columbus Regional Office	1501 13th Street Suite A	Columbus	31901	(706) 649-7451	(706) 649-1050
Douglas Regional Office	1214 N. Peterson Ave.	Douglas	31533	(912) 389-4094	(912) 389-4411
Lithia Springs Regional Office	351 Thornton Road Suite 101	Lithia Springs	30122-1596	(770) 732-5812	(770) 732-5823
Macon Regional Office	630 North Avenue Suite B	Macon	31211-1493	(478) 751-6015	(478) 751-6016
Rome Regional Office	1401 Dean Street Suite E	Rome	30161-6494	(706) 295-6667	(706) 295-6744
Savannah Regional Office	6606 Abercorn Street Suite 220	Savannah	31405	(912) 356-2140	(912) 353-3012
Tucker Regional Office	2082 East Exchange Place Suite 120	Tucker	30084-5334	(770) 724-6500	(770) 414-3558

The Sales and Use Tax Division can be reached by email at salesuse@gw.rev.state.ga.us. The information contained in this document was taken from the Georgia Department of Revenues website and from conversations with its representatives. It is important that you contact your regional Department of Revenue office to ensure your operation is in compliance. The following are additional departments that may provide useful information.

MOTOR FUEL TAX UNITe-mail: fueltax@gw.rev.state.ga.us

Georgia Department of Revenue
1800 Century Center Blvd., N.E.
Atlanta, GA 30345-3205
(404) 417-6712

SALES AND USE TAX DIVISIONe-mail: salesuse@gw.rev.state.ga.us

Georgia Department of Revenue
1800 Century Center Blvd., N.E., Ste. 8214
Atlanta, GA 30345-3205
(404)-417-6601

PROPERTY TAX DIVISIONe-mail: protax@gatax.org

Georgia Department of Revenue
Property Tax Division
4245 International Parkway, Suite A
Hapeville, GA 30354-3918
(404) 968-0707