

Tax Guide

Food

The Lakewood City Council passed Ordinance O-2008-11 to eliminate the taxation of pre-packaged food sales effective on January 1, 2009.

As of **January 1, 2009**, the following guidelines should be used to determine whether a food item is taxable.

Food for Home Consumption:

In the City of Lakewood, food for home consumption is NOT subject to a sales/use tax after December 31, 2008.

Food for home consumption is defined by the Federal Food Stamp Program as "The sale of food for domestic, home, or household use, which is advertised or marketed for human consumption and is sold in the same form, condition, quantities, and packaging as is commonly sold by grocers." (7 USC Section 2012(g) as of October 1, 1987, or as thereafter amended)

Please note that as of October 1, 2012 candy and soft drink as defined are not be considered food for home consumption, and are be subject to the 3% tax in Lakewood. *See Candy and Soft Drink Tax Guide for more information.*

Food for home consumption includes, but is not limited to:

Meat, poultry, fish, dairy products

Bread, cereal, fruits, vegetables

Condiments and spices

Cakes, cookies and chips

Health food items, infant formula, special dietary foods

Prepared food and Non-Food Items:

As of January 1, 2006, prepared food and non-food items remain subject to a sales/use tax rate of 3.0% in the City of Lakewood.

Prepared food and non-food items includes, but are not limited to:

Food and drink served or furnished in or by restaurants, take-out, cafes, lunch counters, cafeterias, hotels, drugstores, social clubs, nightclubs, cabarets, resorts, snack bars, caterers, boarding houses, carryout shops and other places at which prepared food or drink is regularly sold, including pushcarts, motor vehicles and other mobile facilities

Alcoholic beverages excluding items such as cooking wine, wine vinegar, and nonalcoholic cocktail mixes when marketed and sold for domestic home consumption

Coffee or other food products sold or purchased for office or commercial establishment use

Other items also subject to the sales/use tax rate of 3.0%:

Non-food items such as therapeutic products and deficiency correctors such as vitamins and minerals which are marketed as food supplements; health aids such as patient medicines and other products used as health aids and therapeutic agents, including aspirin, cough drops or syrups, cold remedies antacids, and over-the-counter drugs

Food items not marketed for human consumption such as pet food, bird seed, and other animal food

Products which only qualify as food for home consumption under the Federal Food Stamp Program if purchased with Food Stamps or WIC vouchers including carbonated water marketing in containers, chewing gum, plants to grow food, prepared salads requiring refrigeration, salad bars, cold sandwiches, and deli trays

Mandatory gratuities or service charges associated with the taxable sale of food or beverage

This information is provided as a general overview of the City of Lakewood Sales and Use Tax Ordinance, and is not intended to replace or supersede the information contained in the Ordinance.

Please visit the City of Lakewood website at www.lakewood.org or call 303-987-7630 for more information.