

Tax Bulletin

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Cleaning and Janitorial Services

If you operate a maid, janitorial, custodial, or swimming pool maintenance service, you should be collecting sales and use tax. To request an application for a sales tax permit, call us toll free at the number listed below or visit your local field office.

Collecting Tax

You should collect state tax, plus any local (city, county, special purpose district, or transit) taxes on the amount you bill for your service.

Examples of Taxable Services

Tax is due on the charge to clean a home, office, warehouse, garage, restaurant, or any other building, or a swimming pool. For example, you should collect tax on your charges for such things as cleaning and straightening; washing windows, floors, walls, and ceilings; cleaning chimneys or air ducts; replacing light bulbs or fuses; picking up trash indoors or outdoors; and maintaining swimming pools.

Charges for minor repairs, adjustments, and maintenance of heating and air conditioning systems (for example, cleaning or changing filters) are subject to tax, if such services are done as part of your custodial service.

Charges for repair, remodeling, and restoration done on nonresidential buildings also are taxable. As an example, you should collect tax on the total charge, including labor and materials, to paint or hang wallpaper in an office.

Pressure washing is taxable as the restoration or maintenance of tangible personal property (see Rule 3.292). Pressure washing buildings, sidewalks, and parking lots is taxable as building or grounds cleaning (see Rule 3.356).

Swimming pool maintenance is a taxable real property service whether done on residential or nonresidential (commercial) property. Swimming pool maintenance includes testing, acid washing, adding and balancing chemicals, cleaning and changing filters, and vacuuming.

Examples of Nontaxable Services

There is no tax on the charges of a self-employed person who provides traditional household services such as housekeeping, babysitting, or cooking. For the charges to be exempt from tax, the person must be an employee of the household and not act as a subcontractor for a third party, such as a maid service.

The tax exemption does not include other types of real property services provided by self-employed individuals to residential customers. For example, landscaping or pool cleaning services done at a residential household by a self-employed individual are taxable as real property services. See sections (a)(7) and (b) of Rule 3.356 relating to real property services.

Building maintenance and groundskeeping are not taxable when purchased by a contractor or a home builder as part of the improvement of real property with a new residential structure to be used as a resi-



dence, or when making an improvement to residential realty that qualifies as new construction.

This exclusion also applies to the construction of model homes and speculative homes that will be sold for residential use. It does not apply to an improvement of real property used as an office.

A person or company that cleans a new residential structure for a contractor or home builder is responsible for billing and collecting tax on their service until receiving certification from the contractor that the service is part of the improvement of real property with a new structure to be used as a residence. If it is later determined that the work does not qualify as a nontaxable service as certified by the contractor, builder, or developer, the person who issues the certificate will be held liable for the tax.

Materials, Supplies and Equipment

You must pay tax on all soap, cleaners, chemicals, materials, supplies, and equipment used to perform your services.

When performing taxable services, you can give your supplier a resale certificate instead of paying tax on goods that are transferred to the care, custody, and control of your customer as a part of your service. Examples of such items that are passed on to your customers include wax and furniture oil or polish, and toilet paper, paper towels, and hand soap left in the restrooms for your customers' use.

When performing a nontaxable service, you must pay tax on these items.

Reselling a Cleaning Service

At times, you may subcontract with a third party, such as a maid service, to clean for you. In this case, the third party will bill you, and you, in turn, will bill your customer. You can give the third party a resale certificate instead of paying tax on the sales price for the service. You must then collect tax from your customer on the total charge.

Need More Information?

See Rule 3.356 - Real Property Services.

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