

**INDUSTRY GUIDANCE**

<b>Category:</b>	Graphic Design Companies	<b>Tax Type:</b>	Sales & Use Tax
<b>Brief Description:</b>	Graphic Design Companies Tax Matrix	<b>Effective Date:</b>	04-29-2024

The taxability of sales and purchases of tangible personal property and labor services by graphic design companies are summarized below. While this document provides general information as to the taxability of sales and purchases of tangible personal property and labor services by businesses in the graphic design industry, it may not necessarily cover every situation as the taxability may depend on facts and circumstances around the specific transaction. Should a more definitive determination be desired, businesses may request a letter ruling from the Department. [MODOR Letter Ruling Page](#)

***This list is not all-inclusive.***

Missouri sales or use tax applies to those purchases identified or designated as taxable in the chart below. The applicable Missouri sales or Missouri consumer's use tax must be paid to the vendor or accrued and remitted directly to the Missouri Department of Revenue. Purchases from Missouri vendors may be reported using the retailer's sales tax return. Purchases from outside this state which are delivered to this state are to be reported on the Missouri consumer's use tax return.

<b>Sales by Graphic Design Companies:</b>	<b>Taxable/Exempt</b>
Graphic design services including but not limited to: web design, advertising and marketing design, motion graphics and animation, packaging and game design, illustrations, and publication and typographic design	Exempt
Graphic design fees incorporated into the sale of tangible personal property	Taxable
Creative design work for media advertising	Exempt
Creative design work included in the price of specialty advertising	Taxable
Webpage development	Exempt
Digital mockups	Exempt
Laser prints	Taxable
Artwork sent electronically to customer, or placed on seller's website for access by customers	Exempt
Artwork sold through computer disk or other tangible personal property	Taxable
Business cards, flyers, brochures etc.	Taxable
Conference charges with customers or potential customers	Exempt
Charges for layouts to convey an idea	Exempt
Charges for photography sold through tangible media	Taxable
Charges for photography sent electronically	Exempt

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<b>Sales by Graphic Design Companies (continued):</b>	<b>Taxable/Exempt</b>
Printed products including but not limited to t-shirts, banners, lawn signs etc.	Taxable
Gift cards & gift certificates	Exempt
Shipping, delivery, freight, and postage charges	Exempt
Combined shipping and handling	Taxable
Handling charges	Taxable
Inbound delivery charges paid by sellers to their suppliers, which are passed on to customers	Taxable

<b>Purchases by Graphic Design Companies:</b>	<b>Taxable/Exempt</b>
Items purchased for resale	Exempt
Equipment used for web design	Taxable
Books and other technical publications	Taxable
Computers, laptops, iPads, external drives, and internet equipment	Taxable
Cleaning materials such as gloves, chemicals, waxes, etc.	Taxable
Furniture and fixtures, including but not limited to: desks, lamps, tables, chairs, artwork, signs, plants and planters, shelving, etc.	Taxable
Copiers, scanners, desktop and laptop computers, monitors, printers, and fax machines	Taxable
Office supplies such as office forms, staplers, paper, pens, pencils, labels, business cards, ink, toner, ribbon cartridge, etc.	Taxable
Pre-printed forms, signage, printer paper, receipt books, pamphlets	Taxable
Educational materials such as posters, printed materials, and literature, etc.	Taxable
Books, newspapers, and magazine subscriptions	Taxable
Canned software and software upgrades to maintain or update software delivered via CD Rom	Taxable
Canned software provided via electronic download through the internet	Exempt
Custom software and software upgrades to maintain or update software developed for a single end user	Exempt
Breakroom supplies such as microwaves, refrigerators, cups, and paper products	Taxable
Complimentary bottled water, coffee, soft drinks, creamer, sugar, cups and stir sticks, candy, etc.	Taxable
Promotional items including but not limited to: calendars, mugs, pens, clothing, balloons, etc.	Taxable
Security cameras & other security related equipment	Taxable

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<b>Purchases by Graphic Design Companies (continued):</b>	<b>Taxable/Exempt</b>
Security monitoring services	Exempt
Specialty advertising	Taxable
Media advertising	Exempt
Donations of tangible personal property	Taxable
Trash & cleaning services	Exempt
Shredding services	Exempt
Janitorial supplies	Taxable
Utilities	Taxable
Linen services	Exempt
Pest control services	Exempt
Professional services such as legal or accounting	Exempt
Uniforms	Taxable
Repair and replacement parts for repairing, altering, or maintaining tangible personal property such as computers, printers, copiers, security equipment, etc.	Taxable
Repair parts for company vehicle used to plow snow from parking lots, driveways etc.	Taxable
Lease or rental of any copier, fax, vehicle etc.	Taxable
Repairs, maintenance, and remodeling services to existing structure/facility through a hired contractor	Exempt
Warranty or service agreements for tangible personal property such as computers, printers, copiers, security equipment, etc.	Exempt
Shipping, delivery, freight, and postage charges	Exempt
Handling charges	Taxable
Combined shipping and handling	Taxable
Inbound delivery that seller pays to their suppliers, and passes through to the graphic designer	Taxable