



Upholsterers

An upholsterer who is engaged in the repair, recovering, upholstering or similar work on a customer's property is engaged in the sale of tangible personal property and accordingly, will charge his or her customers sales tax on the tangible personal property used in this service. The upholsterer must separately state the tangible personal property and the service or labor charges on his billing to the customer.

A sale by the upholsterer of upholstery material, manufactured articles, or other tangible personal property to a retail customer, without service rendered in connection with the sale, is taxable on the full selling price of the property.

An upholsterer who purchases property which he upholsters and then offers for sale is required to charge sales tax on the full selling price of such property. The labor to process and prepare for sale to a customer is a taxable part of the transaction of sale. The labor to reupholster furniture previously owned by a customer is a service when the customer owns the furniture and the only property transferred sale is the upholstery fabric, staples and glue.

Upholstery material and other items of tangible personal property that become a part of the upholstered item may be purchased tax-free, but the upholsterer must pay sales or use tax on those items used or consumed that do not become a part of the completed upholstered property.

THE ABOVE INFORMATION IS A SUMMARY IN LAYMAN'S TERMS OF THE RELEVANT LOVELAND TAX LAW FOR THIS INDUSTRY OR BUSINESS SEGMENT. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE LMTC (LOVELAND MUNICIPAL TAX CODE) AND APPLICABLE RULES AND REGULATIONS.