<http://blog.taxjar.com/states-grocery-items-tax-exempt/>

* States where groceries are taxable: ID, SD, KS, OK, MS, AL, HI
* States with no sales tax: MT, OR, NH, DE
* Grocery items taxed at a reduced rate: UT, MO, AR, IL, VA, TN
* Grocery items are exempt from state tax but subject to local tax: GA, SC, NC
* Grocery “staples” are tax exempt: ME
* All other states, groceries are tax exempt
  + Refers to non-prepared grocery food
* Foods that are prepared for consumption are taxable in all states
* Definition of grocery item can be tricky
* Quotes from article:
  + **Missouri** – Grocery items are taxable, but taxed at a reduced rate of 1.225%.
  + Groceries are taxable at the normal rates in **Alabama**
  + **Arkansas** – Grocery items are not tax exempt, but food and food ingredients are taxed at a reduced Arkansas state rate of 1.5% + any local rate. (Search local rates at [TaxJar’s Sales Tax Calculator](https://www.taxjar.com/sales-tax-calculator/).) Any food items ineligible for the reduced rate are taxed at the regular state rate. This state rate will fall from 1.5% to 0.125% if certain budget conditions are met.
  + **Texas** – grocery items are tax exempt

<http://www.cbpp.org/research/state-budget-and-tax/which-states-tax-the-sale-of-food-for-home-consumption-in-2017>

* 45 states + DC have a general sales tax
* Most have eliminated, reduced or offset tax on food for consumption
* 6 states have a lower tax rate on groceries: UT, MO, AR, IL, VA, TN
* 4 states tax groceries fully but offer credit/rebates offsetting some of the taxes paid on food by some of the population: ID, KS, OK, HI
  + Usually set at a flat rate per family member
  + Amounts and eligibility rules vary – may be insufficient to give eligible homes full relief from sales tax paid on groceries
* 3 states apply sales tax fully to food purchased for home consumption – Alabama, Mississippi, SD

<http://www.nbcnews.com/business/taxes/state-sales-tax-groceries-lose-lose-lose-proposition-study-n499746>

* Kansas is one of 14 states that charge sales tax on groceries, and one of 7 to charge full state tax
* Many pay even more – local county and city governments can levy their own taxes – taxed as much as 10.5% for groceries
* 35 of KS’s 105 counties share a border with a neighboring state that doesn’t impose sales tax on food or at a reduced rate – leads to loss in revenue for KS
* Huge burden of high sales tax on low-income homes
  + These folks are also likely less able to move their shopping to lower taxed areas –“they bear more of the burden of the tax and it is difficult for them to avoid”

<http://www.alabamanews.net/2016/08/17/a-sales-tax-on-food/>

* “Trend to eliminate the tax has stalled”
* Montgomery residents pay the same 10% tax on groceries as with everything they buy
* Regressive tax: disproportion impact on the poor who spend a larger % of their income on food
* Continual legislative efforts to reduce for years, but since overall tax rate is so low, can’t afford to eliminate tax on food without replacing it elsewhere

<http://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2016/08/16/decried-as-unfair-taxes-on-groceries-persist-in-some-states?utm_campaign=2016-08-16+Stateline+Daily&utm_medium=email&utm_source=Pew>

* Tax on the sale of groceries disproportionately hurt the poor and may affect quality, variety and amount of food they can afford to put on the table
* Rationale: taxes are steady revenue source in volatile times, so hard to get rid without finding an alternative way to make up the revenue
* Groceries are between a sixth and seventh of all consumption – to raise same amount of money, may have to increase general sales tax by a full percentage point
* New study found: because counties and localities sometimes collect food taxes if their states don't, people living in more than a third of the nation’s counties are taxed at some level on the food they buy in store
* Average tax rate is 4.3%, more than $200 for a family with an annual grocery bill of $5000
  + In some places, Tuscaloosa County, combined state and local taxes as high as 9%
* “The taxes disproportionately hurt low-income Americans and contribute to food insecurity” – defined as “reduced quality, variety, or desirability of diet” or “disrupted eating patterns and reduced food intake”
* Spend less on groceries compared to higher incomes, but what they spend is a bigger share of their income
  + Lowest income Americans spend 34.1% of their income, vs. Middle-income who spend 13.4%
* Many of these states that tax on groceries are some of the least affluent – Alabama, Arkansas, Mississippi and Utah are in the bottom fifth of states in per capita income
* Southern states where food insecurity is most acute (AL, AR, MI)
* AL state Sen tried (and failed) to phase on state tax on groceries over 4 years and replace with a 1 cent increase in overall sales tax to 5%

<http://ageconsearch.umn.edu/bitstream/235324/2/Wilson,%20Zheng,%20Burney,%20Kaiser%20-%20Do%20Grocery%20Taxes%20Cause%20Food%20Insecurity.pdf>

* “Do grocery food sales taxes cause food insecurity?”

<http://www.rethinkms.org/2014/02/05/people-hungry-mississippi-else-hard-food-assistance/>

<http://www.huffingtonpost.com/2014/03/25/hungriest-states_n_5028586.html>