

“Food”: The New Definition

On and after July 1, 2004, “food” means substances, whether in liquid, concentrated, solid, frozen, dried or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value.

“Food” does not include alcoholic beverages, dietary supplements, soft drinks or tobacco.

The Big Changes

- ▶ **Bottled, unsweetened water and ice*** are now foods.
- ▶ **Fruit or vegetable juice** with 50% or more juice content is food.
- ▶ **Chewing gum and breath mints** are food.
- ▶ **“Soft drink”** is now determined by whether a beverage is sweetened, not whether it is carbonated. A soft drink is not food.
- ▶ **Sweetened beverages that contain milk**, a milk product, or milk substitute are food.

* See Food/Non-Food table for examples.

Not Changed

- ▶ **Food consumed off premises** remains tax free. Food consumed on premises is still taxable.
- ▶ **Purchases using food stamps** are still not taxable.

*Visit the ODT web site at **tax.ohio.gov** (see SSTP link for a more detailed Information Release)*

*Questions? Call toll-free **1-800-304-3211*** or Taxpayer Services **1-888-405-4039***

E-Mail Us your questions. Go to the ODT web site. (see SSTP link)

Visit any ODT Taxpayer Service Center (see web site for locations)

**Through June 30, 2006*



NEW DEFINITION OF “FOOD”

Effective July 1, 2004

Ohio law and its definition of “food” has changed as a result of the state’s participation in the Streamlined Sales Tax Project, a multi-state effort to simplify and modernize sales and use tax collection and administration. What constitutes food is important because food consumed off premises is not taxable.



Not Food

▶ **Alcoholic beverages** (beer, wine, liquor, at or above 0.5% alcohol) *except* items containing alcohol that are not used as beverages, such as vanilla extract and cooking wines.

▶ **Dietary supplements** are generally identified by the inclusion of a “Supplement Facts” box on the label.

▶ **Soft drinks** are non-alcoholic beverages that include natural or artificial sweetener.

▶ **Tobacco**, meaning any item containing tobacco.

Nutritional Products/ Diet Foods

▶ Nutritional products and diet foods (such as Ensure® or SlimFast®) are food. Generally, these products are identified by having a “Nutrition Facts” box on the label.

Coffee & Tea

▶ Plain coffee or tea is food.

▶ Coffee or tea with sweetener is not food and is taxable.

▶ Coffee or tea with flavoring, but no sweetener, is food.

▶ Coffee or tea with sweetener and milk product/substitute is food.

Soft Drinks

▶ Generally, any beverage containing a sweetener, natural or artificial.

▶ Any beverage containing a sweetener *and* milk, milk product or substitute is a food and not a soft drink.

▶ Any fruit or vegetable drink or beverage with *less than 50%* juice content is a soft drink and is taxable.

F o o d (Not Taxed if consumed off premises)	N o n - F o o d (Taxable)
Bottled water (including carbonated, distilled, and mineral)	Water-Sweetened (including artificially)
Tea-Unsweetened	Tea-Sweetened (including artificially)
Coffee-Unsweetened	Coffee-Sweetened (including artificially)
Coffee (with milk or milk product)	Soda pop
Fruit juice (50% juice content or more)	Fruit juice- <i>Less than 50%</i> juice content
Vegetable juice (50% juice content or more)	Vegetable juice- <i>Less than 50%</i> juice content
Ice (sold at grocery, convenience or similar stores)	Ice (bulk ice purchased for use as a refrigerant)
Milk and milk products (including ice cream)	Sweetened beverages without milk or milk substitutes
Non-alcoholic beer (less than 0.5% alcohol content per volume)	Alcoholic beverages (with 0.5% or more alcohol per volume)
Soy products	Sports/Energy drinks (e.g. Gatorade®, Powerade®, etc.)
Bakery items (e.g. cake, cookies, pastry, etc.)	Vitamins
Chips and other snacks	Pet food
Cocoa, tea bags, coffee beans	Cough drops
Nuts (all types)	Cod liver oil
Popcorn	Antacids
Pudding/gelatin	Over-the-counter drugs
Condiments (ketchup, mustard, etc.)	Nicotine gum
Baking ingredients	Gelatin capsules
Cereals and cereal products	Diet drugs and supplements
Sugar and sugar substitutes	Mineral oil
Popsicles/Sno-Cones	Powdered drinks (Tang®, Kool-Aid®, etc.)
Cooking oils (vegetable, canola, olive, etc.)	Lemonade
Extracts (vanilla, peppermint, almond, etc.)	Protein drinks (with Supplemental Facts box)
Candy, chewing gum, breath mints	Toothpaste and mouthwash