



OLR RESEARCH REPORT

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HISTORY OF CONNECTICUT'S SALES TAX HOLIDAY

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You asked for a brief history of Connecticut's sales tax holiday.

The General Assembly enacted the sales tax holiday in 2000 as part of a large tax package that reduced many state taxes and established new tax credits and exemptions ([PA 00-170, § 15](#)). The 2003 budget and tax package repealed the sales tax holiday, effective July 1, 2004, ([PA 03-1, June 30 Special Session](#)), but [PA 04-218](#) later reinstated it. Since its original enactment, there have been no changes to the holiday's duration or the type or maximum cost of eligible items.

The exemption applies to clothing and footwear costing less than \$300 and runs from the third Sunday in August to the following Saturday every year. It excludes (1) special athletic and protective clothing and footwear not normally worn except for its specialized use and (2) jewelry, handbags, luggage, umbrellas, wallets, watches, and similar items that people carry but do not wear ([CGS § 12-407e](#)). The Department of Revenue Services website [describes](#) how the exemption is administered and [lists](#) examples of items that are exempt and taxable during the sales tax holiday.

RP:ts