

# Tax Free Back to School Shopping

Most of us get excited about shopping. But few of us enjoy Back to School shopping. It always seems like our kids need a host of materials and equipment, and the costs quickly become expensive. Well today's information will not only excite you, but it will also help save you some money. Tax free back to school shopping week begins on August 11, 2019 and ends on August 17, 2019 in the state of Maryland and other jurisdictions. If you think that's not a big deal just give me an extra one hundred dollars (\$100.00) after you have completed your kids back to school shopping and I'd be happy to take it!

According to the National Retail Federation the average parent will spend approximately six hundred and sixty-nine dollars and twenty-eight cents (\$669.28) on back to school supplies per child. Maryland's sales tax rate is six percent (6%). Just think how much a family with two or more kids would save! So what are the rules and how does it work?

## **Clothing & Footwear:**

Clothing and footwear costing one hundred dollars (\$100.00) or less are exempt from the Maryland 6% sales tax this week. What that means is that if each item on its own costs one hundred dollars (\$100.00) or less, it does not matter if your combined purchases exceed one hundred dollars; your transaction is exempt from sales tax.

## **Backpacks and Bookbags:**

Backpacks and bookbags are exempt from Maryland sales tax with a little twist. If the backpack or bookbag cost less than forty dollars (\$40.00), then it is completely tax exempt. However, if the backpack or bookbag cost more than forty dollars (\$40.00), then only the first forty dollars (\$40.00) of the cost of the item is exempt Maryland sales tax.

## **Layaway:**

This is one of my favorite trick tips. If you're strapped for cash but want to take advantage of the tax free deals, put the items on layaway! Here's the deal. Under Maryland law, the sale is made when the layaway agreement is entered into, and therefore the qualifying items placed on layaway during the sales tax holiday period, are exempt. Lock in your deals now and pay later. Connect with us at [Ruthven@give2getrich.com](mailto:Ruthven@give2getrich.com)