

If you are engaged in providing pest control services...

since **October 1, 2002**, you have been a retailer and the gross receipts (charges) from providing pest control services are subject to sales tax.

Retailers of pest control services must hold a Nebraska sales and use tax permit and collect the Nebraska and applicable local (city) sales tax on charges for these services. If you need a permit, please refer to the paragraph below titled "Retailer's responsibilities."

Pest control services consist of providing inspection, re-inspection, or certification reports, and identifying, preventing, controlling, neutralizing, or eliminating by use of chemical or mechanical means infestations of pests in or on buildings, trees, lawns, shrubs, and any other property. Pest control services do not include veterinary and pet grooming services. However, effective **October 1, 2003**, animal speciality services, including pet grooming services, are subject to sales tax. See our notice titled "**If you provide animal speciality services**" for more information.

Pest. A pest is a form of animal life. The term "pest" does not include weeds or other plant life. Pests include, but are not limited to:

- ◆ Spiders, mites, ticks, ants, wasps, and other insects;
- ◆ Wood infesting organisms, emerald ash borer, termites;
- ◆ Rodents, wildlife, snakes, birds or other animals; and
- ◆ Grubs and worms.

Service contracts. Pest control service providers who sell pest control service contracts are required to collect and remit sales tax on the total amount charged for the contract.

Lawn care service providers. Lawn care service providers are required to collect and remit sales tax on the specific charge for pest control services (e.g., grub control). Separately stated charges for applying fertilizer to lawns and gardens are not taxable. If the charge for lawn care services includes applications of pest control, weed control, or fertilizer for one price without identifying the separate charges for the pest control service, the total amount charged for the lawn care program is taxable.

Equipment, materials and supplies. Pest control service providers must continue to pay sales or use tax on all purchases of materials, equipment, chemicals, and supplies used to provide their pest control services.

Agricultural Chemicals. Charges for applying agricultural chemicals as defined in Nebraska Sales and Use Tax Regulations 1-061 and 1-063 are exempt from tax when the chemicals are applied to land or crops in commercial agriculture or to food-producing animals. Commercial agriculture does not include storage of crops off the farm or in commercial elevators.

Local (city) sales tax. City sales tax must be collected at the rate in effect at the location where the pest control service is provided.

Retailer's responsibilities. Retailers have certain administrative responsibilities for collecting and remitting sales tax. These responsibilities are summarized in our Information Guide titled "**Nebraska and Local Sales Tax**," available on our website at revenue.nebraska.gov or call 800-742-7474 (NE and IA), or 402-471-5729.

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