

REG-1-087, Food or Food Ingredients

087.01 Sales of food or food ingredients are exempt from sales and use tax.

087.01A Food or food ingredients 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.

087.01A(1) Food or food ingredients includes, but is not limited to: cereals, eggs, fruits, meats, vegetables, milk, health foods consumed in place of other foods and not as a vitamin or mineral supplement, flour, cooking oils, sugar, soft drinks, bottled water, ice, candy, and chewing gum.

087.01A(2) Any food products with the "Nutrition Facts" box on their labels as required by 21 C.F.R. § 101.9, are food or food ingredients that are exempt from sales tax under this section.

087.01B Food or food ingredients does not include alcoholic beverages, dietary supplements, or tobacco.

087.01B(1) Dietary supplement means any product, other than tobacco, intended to supplement the diet that is not presented as conventional food and that is required to be labeled as a dietary supplement, identifiable by the "Supplemental Fact Box" found on the label as required by 21 C.F.R. § 101.36.

087.02 Sales of prepared food, including sales by caterers and concessionaires and all sales of food, prepared food, and food ingredients through vending machines are subject to tax (Reg-1-031, Coin-Operated Machines, and Reg-1-083, Prepared Food and Beverage Service).

(Neb. Rev. Stat. §§ 77-2704.10, 77-2704.24, 77-2704.25, and 77-2704.54. July 3, 2013.)