



Newspapers, Periodicals, and Shopping Papers

Introduction

This bulletin explains how sales and use tax (sales tax) applies to sales of newspapers and periodicals, and to purchases made by their publishers. It also explains how sales tax applies to purchases made by publishers of shopping papers, pennysavers, and similar publications that are distributed at no charge.

Newspapers and periodicals

If you sell publications that qualify as newspapers or periodicals for sales tax purposes, you don't need to charge sales tax because they're exempt. The exemption also applies to charges for electronic versions of newspapers or periodicals if you sell a hard-copy version, and both versions contain the exact same information (except for advertising).

To qualify as a *newspaper*, a publication must:

- be published in printed or written form at stated, short intervals, usually daily or weekly;
- contain matters of general interest and reports of current events;
- be available for circulation to the public; and
- not constitute a book, even if successive issues are combined.

To qualify as a *periodical*, a publication must:

- be published in printed or written form at stated intervals at least four times a year;
- have continuity as to the title and general nature of the content from issue to issue;
- contain a variety of articles by different authors devoted to literature, the sciences or the arts, news, a special industry, profession, sport, or other field of endeavor;
- be available for circulation to the public; and,
- not constitute a book, either singly or when successive issues are put together.

A newsletter may qualify as a periodical if it conforms generally to the above standards. If a newsletter has no signed articles, but has a staff of writers who prepare articles, it will be considered to have articles by different authors. Whether a publication has been classified by the United States Postal Service as one that is entitled to second-class mailing privileges will also be considered in determining if it is a periodical.

Publications that **don't qualify** as newspapers or periodicals include:

- listings and compilations that are information services (see [TSB-M-10\(7\)S](#), *Sales and Compensating Use Tax Treatment of Certain Information Services*, for more information);
- publications issued at stated intervals but that are actually books or parts of a book; and
- publications that were originally periodicals, but that are sold at a price that does not reflect the normal selling price (i.e., sold for collection or investment purposes).

Purchases by publishers of newspapers and periodicals

You don't have to pay sales tax if you purchase paper, ink, printing services, and advertising supplements to be sold as a component part of publications that qualify as newspapers or periodicals. Complete [Form ST-120, Resale Certificate](#), and give it to the supplier of materials that become a part of the publication to be sold.

You may also make tax-free purchases of machinery, equipment, parts, tools, and supplies used directly and predominantly to publish newspapers and periodicals. You should complete [Form ST-121, Exempt Use Certificate](#), and give it to your supplier. See [Publication 852, Sales Tax Information For: Manufacturers, Processors, Generators, Assemblers, Refiners, Miners and Extractors, and Other Producers of Goods and Merchandise](#), and Tax Bulletin [Exemption Certificates for Sales Tax \(TB-ST-240\)](#) for more information.

You must pay sales tax on purchases made for newspapers and periodicals that are distributed free of charge since those publications are not resold. (However, see below for the rules for shopping papers.)

Shopping papers

Shopping papers are those community publications variously known as consumer papers, pennysavers, shopping guides, town criers, and dollar stretchers, or similar publications, that are distributed to the public free of charge for purposes of advertising and public information.

A publication will qualify as a shopping paper if:

- it is distributed free of charge to the public on a community-wide basis;
- it is published at stated intervals at least 50 times a year;
- it has continuity as to title and general nature of content from issue to issue;
- it contains in each issue news of general or community interest, community notices or editorial comment, or articles by different authors;
- it does not constitute a book, either singly or when successive issues are put together;
- it contains in each issue advertisements from numerous unrelated advertisers;
- it is independently owned (i.e., the publication is not owned by or under the control of a shopping center, a merchants association, or similar entity, or a business that sells property or services [other than advertising]);
- its advertisements are not predominantly for the goods or services of a shopping center, merchants association, or similar entity; and
- the advertisements in each issue do not exceed 90 percent of the printed area for the issue.

Publications that **don't qualify** as shopping papers include:

- mail-order and other catalogs;
- advertising fliers;
- travel brochures;
- political fliers;
- theater programs;
- telephone directories;
- shopping and restaurant guides;
- racing tip and form sheets;
- shopping center advertising sheets; and
- other similar publications.

Purchases by publishers of shopping papers

You don't have to pay sales tax on purchases of paper, ink, and any other tangible personal property that becomes a physical part of a shopping paper, or on purchases of printing services performed in publishing a shopping paper. These purchases are exempt from sales tax when purchased by the publisher of the shopping paper.

You may make tax-free purchases of property that becomes a physical part of a shopping paper and printing services performed in publishing a shopping paper by giving your supplier a properly completed [Form ST-121, Exempt Use Certificate](#). Since there isn't a specific box on this form to check for these purchases, you must check box (U) *Other*. Write in the space provided that the purchase is exempt under section 1115(a)(20) of the Tax Law for purchases of qualifying property and section 1115(i)(A) of the Tax Law for qualifying printing services.

You aren't eligible for the exemption for machinery, equipment, parts, tools, and supplies used to publish the shopping paper since the shopping paper is given away free of charge and not sold.

Note: A Tax Bulletin is an informational document designed to provide general guidance in simplified language on a topic of interest to taxpayers. It is accurate as of the date issued. However, taxpayers should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Tax Bulletin. The information provided in this document does not cover every situation and is not intended to replace the law or change its meaning.

References and other useful information

Tax Law: Sections 1101(b)(6); 1115(a)(5); 1115(a)(20); and 1115(i)

Regulations: Section 528.6

Publications:

[Publication 852](#), *Sales Tax Information For: Manufacturers, Processors, Generators, Assemblers, Refiners, Miners and Extractors, and Other Producers of Goods and Merchandise*

Memoranda:

[TSB-M-79\(3\)S](#), *Definition of Newspapers & Periodicals*

[TSB-M-92\(5\)S](#), *Shopping Papers and Advertising Supplements*

[TSB-M-96\(7\)S](#), *Shopping Papers Exemption Amended*

[TSB-M-10\(7\)S](#), *Sales and Compensating Use Tax Treatment of Certain Information Services*,

Bulletins:

[Exemption Certificates for Sales Tax \(TB-ST-240\)](#)