

Sales Tax on Dietary Supplements

7% State Tax Rate Applies to Dietary Supplements Sales

Dietary supplements are subject to the general state sales and use tax rate of 7%, plus the applicable local tax rate. The law does not define dietary supplements as food or food ingredients, which are subject to a reduced state rate of 4%, plus the applicable local tax rate.

Dietary Supplements Defined

A dietary supplement is a product that:

- 1) contains a vitamin, a mineral, an herb or other botanical, an amino acid, a dietary substance for use by humans to supplement their diet by increasing their total dietary intake, and/or a concentrate, metabolite, constituent, or extract;
- 2) is not represented as conventional food, is not intended to be the sole item of a meal, and generally comes in the form of a tablet, capsule, powder, softgel, gelcap, or liquid; and
- 3) must be labeled as a dietary supplement, identifiable by the "supplement facts" box found on the label (the Federal Drug Administration (FDA) requires all dietary supplements to be labeled with a supplement facts box).

Examples of Dietary Supplements

The following are examples of items that are dietary supplements, which are subject to the general state sales and use tax rate of 7%, plus the applicable local tax rate:

- amino acids
- appetite suppressants and stimulants
- antioxidants
- bee pollen
- enzymes
- garlic capsules
- ginseng
- herbal supplements
- immune supports
- lecithin
- metabolic supplements
- vitamins and minerals
- zinc lozenges

For More Information

Visit www.tn.gov/revenue. Click on Revenue Help to search for answers or to submit an information request to one of our agents.

References

Tenn. Code Ann. § 67-6-102; Tenn. Code Ann. § 67-6-228