

## Automated Car Wash Facilities

### When Are Automated Car Washes Exempt?

Public Chapter No. 162 (2019) amends Tennessee's sales tax provisions for certain car wash facilities. Under the law, a car wash is not subject to sales tax if the customer remains in custody of the vehicle and the majority of the wash and related cleaning activities, such as rinsing, drying, polishing and vacuuming, are completed by the customer or automated equipment.

### When Are Car Washes Subject to Tax?

A car wash is subject to sales tax if the service provider takes custody of the vehicle at any time or performs the majority of the cleaning activities for the customer. Such activities include rinsing, drying, polishing, and vacuuming.

### For More Information

Visit [www.tn.gov/revenue](http://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. § 67-6-205(c)(5)(B); Public Chapter 162 (2019)