
The Exemption from the Sales and Use Tax for Nonelectronic School Supplies

Purpose: This Policy Statement addresses the exemption from the sales and use tax for “nonelectronic school supplies” under Conn. Gen. Stat. § 12-412(128). This Policy Statement (A) identifies a list of qualifying “nonelectronic school supplies”, and (B) sets forth criteria concerning when a purchase is made for business purposes.

Nonelectronic school supplies are exempt from the Sales and Use Tax, under Conn. Gen. Stat. § 12-412(128), when purchased for a nonbusiness purpose.

“Nonelectronic school supplies” are exempt from the Sales and Use Taxes under Conn. Gen. Stat. § 12-412(128), when purchased for a “nonbusiness purpose.” The term “nonelectronic school supplies” is not defined in Conn. Gen. Stat. § 12-412(128) or elsewhere in state statute. As such, Conn. Gen. Stat. § 1-1(a) dictates that the term must be construed consistent with its commonly understood meaning. Accordingly, consistent with the foregoing and for purposes of its administration of this provision, “nonelectronic school supplies” mean and include those items normally used by a student in a course of study to the extent that these supplies are not electronic.

The following items are exempt from the Sales and Use Tax as “nonelectronic school supplies”:

- Binders
- Cellophane tape
- Blackboard chalk
- Compasses
- Composition books
- Crayons
- Erasers
- Folders (expandable, pocket, plastic, and manila)
- Glue, paste, and paste sticks
- Highlighters
- Index cards
- Index card boxes
- Legal pads

- Lunch boxes
- Markers
- Notebooks
- Paper (loose leaf ruled notebook paper, copy paper, graph paper, tracing paper, manila paper, colored paper, poster board, and construction paper)
- Pencil boxes and other school supply boxes
- Pencil sharpeners
- Pencils
- Pens
- Protractors
- Rulers
- Scissors

Electronic versions of any of the above-listed supplies do not qualify for an exemption under Conn. Gen. Stat. § 12-412(128).

Nonelectronic school supplies purchased by or for a business are not exempt from the Sales and Use Tax under Conn. Gen. Stat. § 12-412(128).

“Nonelectronic school supplies” are exempt from the Sales and Use Taxes under Conn. Gen. Stat. § 12-412(128), when purchased for a “nonbusiness purpose.” The term “nonbusiness purpose” is not defined in Conn. Gen. Stat. § 12-412(128) or elsewhere in state statute. As such, Conn. Gen. Stat. § 1-1(a) dictates that the term must be construed consistent with its commonly understood meaning. Accordingly, consistent with the foregoing and for purposes of its administration of this provision, “nonbusiness purpose” means not related to business.¹ As such, “nonelectronic school supplies” that are purchased by a business or for use by a business are not exempt under Conn. Gen. Stat. § 12-412(128). The section below contains procedures for retailers and purchasers.

¹ Business is defined under Conn. Gen. Stat. § 12-407(a)(10) to include “any activity engaged in by any person or caused to be engaged in by any person with the object of gain, benefit or advantage, either direct or indirect.”

Procedures for Retailers and Purchasers:

All sales of “nonelectronic school supplies” made by retailers shall be presumed to be for a “nonbusiness purpose,” unless the retailer has a good faith reason to believe that the sale is made for a business purpose. For purposes of Conn. Gen. Stat. § 12-412(128), a retailer shall be presumed to make the sale in good faith if the purchaser does not identify at the time of sale that the sale is for a business purpose. As such, retailers that sell “nonelectronic school supplies” shall treat all such sales as exempt from sales tax unless notified by the purchaser at the time of sale that the otherwise qualifying item is being purchased for a business purpose.

If the purchaser does not notify the retailer at the time of sale that the subject purchase is being made for a business purpose, the purchaser is required to accrue use tax on the purchase of “nonelectronic school supplies” and report and pay said use tax either on its next sales and use tax return, business use tax return, or individual income tax return, as applicable.

Similarly, if the purchaser is unable to notify the retailer that it is purchasing “nonelectronic school supplies” for a business purpose, the purchaser is required to accrue use tax on the purchase of “nonelectronic school supplies” and report and pay said use tax either on its next sales and use tax return, business use tax return, or individual income tax return, as applicable.

Retailers that sell “nonelectronic school supplies” solely to businesses shall not be entitled to presume that sales of such items are made for a “nonbusiness purpose” and must charge and collect sales tax in connection with said sales unless an exemption certificate is provided in good faith demonstrating that school supplies are purchased for a nonbusiness purpose. The Department will make this certificate available on its website prior to July 1, 2026. Exemption certificates are only required if the retailer sells solely to businesses.

Notice by Retailers

To comply with the obligations imposed by Conn. Gen. Stat. § 12-412(128), retailers may post the following notice to inform purchasers of said items that they may have an obligation to remit use tax on said items:

Sales of nonelectronic school supplies are exempt from sales tax only to the extent that they are purchased for a nonbusiness purpose. Purchasers of nonelectronic school supplies by or for a business must either pay sales tax at the time of sale, or accrue use tax on the purchase of nonelectronic school supplies and report and pay said use tax either on their next sales and use tax return, business use tax return, or individual income tax return, as applicable.

Effective Date: July 1, 2026.

Statutory Authority: Conn. Gen. Stat. § 1-1(a); Conn. Gen. Stat. § 12-407(a)(10); Conn. Gen. Stat. § 12-412(128).

Effect on This Document: A Policy Statement explains in depth a current DRS position, policy, or practice affecting the tax liability of taxpayers.

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