

Fire Fighting, Police, and Emergency Equipment

135

Sales Tax Fact Sheet 135

Fact Sheet

What's New in 2016

We've updated the layout to make this fact sheet easier to use.

This fact sheet covers:

- Fire departments
- Sales by fire departments
- Water used in fighting fires
- Ambulance services
- Police departments
- Other vehicles
- Local sales and use taxes
- How to report sales and use tax

Fire departments

Definitions

Volunteer fire departments

Volunteer fire departments are independent nonprofit associations. These departments are exempt from sales and use tax if they:

- are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code; and
- have been granted exempt status from the Minnesota Department of Revenue.

Fire departments operated by local governments are not volunteer fire departments even if they are staffed by volunteers. The fire department is considered separate from the local government if it has its own constitution or articles of incorporation.

Municipal fire departments

Municipal fire departments are operated by local governments. For a definition of "local governments", see the Governments – Local Governments Industry Guide.

Note: Fire departments that do not qualify as a local government must pay sales or use tax on certain purchases.

Purchases

Volunteer and municipal fire departments may purchase most items used to prevent fire or to protect property from fire, exempt from sales tax. To claim the

exemption, give the seller a completed Form ST3, *Certificate of Exemption*.

Items that are not used exclusively to prevent fires or to protect property from fire are taxable. For example, a washing machine used to wash fire protection clothing is taxable.

Fire trucks and vehicles

Volunteer and municipal fire departments do not pay sales tax on:

- fire trucks, pumper trucks, hook and ladder trucks, trailers; or
- the components used to assemble or initially equip them; or
- items that are primarily attached to them

Replacement and repair parts

Replacement and repair parts for these vehicles are not taxable. This includes parts and accessories that upgrade or modify the vehicle. Examples include:

- Built-in radios
- Emergency lighting (mounted on vehicle)
- Fire hoses
- Fittings
- Foam unit
- Gated wyes
- Nozzles
- Valves

Replacement accessories

Volunteer fire departments and fire departments operated by a city, county, or township do not pay tax on replacement accessories.

Fire departments that do not qualify as a local government or volunteer fire department with exempt status may buy accessory items to initially equip an emergency rescue vehicle exempt from tax. However, replacement of these items is taxable. Local governments and volunteer fire departments with exempt status can buy replacement parts without paying tax. Examples include:

- Axes
- Canteens
- Cutters
- Extraction tools
- First aid kits and medical supplies
- Flashlights
- Ladders
- Pike poles
- Portable generators
- Portable radios
- Rams
- Tents
- Tire chains

Note: You initially equip a vehicle around the same time the vehicle is purchased. This exemption no longer applies when the vehicle is equipped and begins to operate as a fire or rescue vehicle.

Fire extinguishers

Fire extinguishers are taxable unless an exemption applies. Refilling, checking, and tagging fire extinguishers are nontaxable services.

Fuel

Fuel purchased by a government for use in a fire apparatus is exempt.

Personal protective gear

Firefighters' personal protective equipment is not taxable. Examples include:

- Boots
- Bunker coats and pants (including suspenders)
- Canister filter masks
- Gloves
- Goggles
- Head covers and hoods
- Helmets (including chin straps, face shields, and neck covers)
- Optical and thermal imaging search devices
- Personal alert safety systems
- Protective coveralls
- Safety equipment required by the Occupational Safety and Health Administration
- Self-contained breathing apparatuses
- Spanner belts
- Wildfire jackets

Uniforms

Uniforms are clothing even if they are chemically treated or made from fire retardant fabric. Clothing is exempt regardless of who buys it.

Sales by fire departments

If a municipal fire department sells surplus equipment or other tangible items on a regular basis, the sales are taxable. For more information, see Fact Sheet 132, *Isolated and Occasional Sales*.

Water used in fighting fires

Water used directly in providing fire protection services by an organized fire department, fire protection district, or fire company regularly charged with the responsibility of providing fire protection to the state or a political subdivision is exempt.

Water used by fire departments to fight fires or protect property is not taxable. Water used for other purposes, such as flushing hydrants, washing fire trucks or cleaning the fire station, is taxable.

For more information, see Revenue Notice 12-09, Government Exemptions – Water Used Directly in Providing Fire Protection.

Ambulance services

Sales or leases of ambulances to an ambulance service licensed under Section 144E.10 (public or private) are not taxable. Accessory items used to initially equip ambulances and repair and replacement parts for ambulances are exempt.

To claim exemption, give the seller a completed, Form ST3, *Certificate of Exemption*.

Ambulances and motor vehicles

Any motor vehicle purchased by an ambulance service licensed under Section 144E.10 is exempt if it is equipped and specifically intended for emergency response. Starting Oct. 1, 2011, leases of motor vehicles that meet the same criteria are also exempt.

Fuel

Fuel for use in an ambulance, both air and ground, is exempt.

Repair and replacement parts

Repair and replacement parts for these vehicles are exempt when purchased by an ambulance service licensed under Section 144E.10. Examples include:

- a first responder vehicle, or
- a vehicle in a rural area that is equipped with medical equipment and supplies but is not an ambulance, if purchased or leased by an ambulance service licensed under Section 144E.10.

Note: This exemption only applies to motor vehicles; it does not apply to planes, boats, snowmobiles, etc.

Supplies and equipment

Supplies and equipment used by an ambulance service are exempt if they are used in the course of providing medical care.

Police departments

Starting Jan. 1, 2014, most purchases by city, county, and township police departments are not taxable.

To claim exemption, give the seller a completed Form ST3, *Certificate of Exemption*.

Marked police patrol vehicles

Marked police patrol vehicles are not taxable since they are not required to be registered. If the owner of the vehicle chooses to register the marked vehicle with the Department of Public Safety, no sales tax is collected.

Accessory items used to initially equip these vehicles are not taxable. Examples include:

- Gun racks
- Light bars
- Radar units
- Radios

Note: You initially equip a vehicle around the same time the vehicle is purchased. This exemption no longer applies when the vehicle is equipped and begins to operate as a fire or rescue vehicle.

Unmarked police patrol vehicles

Unmarked police cars and other unmarked patrol cars are taxable.

Body armor

All purchases of bullet-resistant body armor that provide ballistic and trauma protection by law enforcement agencies or licensed peace officers are not taxable.

Fuel

Fuel purchased by the state or a local government for use in marked police vehicles is exempt.

Miscellaneous Purchases

Other purchases by police departments are taxable. This does not include police departments owned by a city, county, or township. Examples include:

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|-----------------------------|--------------------|
| • Ammunition | • Guns |
| • Badges | • Handcuffs |
| • Barrier tape | • Holsters |
| • DARE supplies | • Police dogs |
| • Fingerprint kits/supplies | • Scanners |
| • Flares | • Traffic counters |

Other vehicles

Note: The information in this section does not apply to cities, counties, or townships.

The following are not considered emergency rescue vehicles, even if used for emergency, fire, or police work:

- Aircraft
- Snowmobiles
- Watercraft
- Vehicles licensed only for off-road use

For entities that are not cities, counties, or townships, tax applies when these items are purchased or leased. Tax also applies to repair and replacement parts.

Fire chief and marked patrol vehicles

Fire chief and marked patrol vehicles are not taxable when purchased or leased. However, tax does apply to repair and replacement parts.

Private entity emergency vehicles

Emergency vehicles owned by private entities such as airports and mining companies are taxable, except for ambulances licensed under section 144E.10.

Fuel

Fuel is exempt when purchased by a state or local government for use in a vehicle that is exempt. For example, fuel for a fire chief car or a marked patrol car is exempt.

Local sales and use taxes

Although cities, counties, and townships are exempt from general sales and use taxes, they must pay other types of local taxes, such as restaurant, liquor, or lodging taxes. For more information, see Fact Sheet 142, *Sales to Governments*.

How to report sales and use tax

You can report state, local sales, and use taxes electronically at www.revenue.state.mn.us. If you do not have Internet access, you can file by phone at 1-800-570-3329.

For more information on how to file:

1. Go to our website, www.revenue.state.mn.us
2. Click “**Sales and Use Tax**”
3. Under “I need to file Sales and Use Tax...”, click “**Electronically**” or “**Phone**”.

Legal References

Minnesota Statutes 144E.10, Ambulance service licensing

Minnesota Statutes 168.012, Vehicles exempt from tax or license fees

Minnesota Statutes 272.021, Property of volunteer fire department exempt from taxation

Minnesota Statutes 297A.67:

subd. 28, Ambulance supplies, parts, and equipment

subd. 30, Motor vehicles

Minnesota Statutes 297A.68, subd. 19, Petroleum products

Minnesota Statutes 297A.70:

subd. 2, Sales to government

subd. 3, Sales of certain goods and services to government

subd. 4, Sales to nonprofit groups

subd. 6, Ambulances

Minnesota Statutes 297B.03, Motor vehicle exemptions

Minnesota Rule 8130.6200, subp. 10, Volunteer fire departments

Revenue Notices

Revenue Notice 97-06, Exemptions for Police Car, Fire Truck, and Ambulance Accessories

Revenue Notice 12-09, Government Exemptions – Water Used Directly in Providing Fire Protection

Other Fact Sheets

116, *Petroleum Products*

132, *Isolated and Occasional Sales*

142, *Sales to Government*

146, *Use Tax for Businesses*

164, *Local Sales and Use Taxes*

Industry Guides

Governments – Local Governments

Motor Vehicle