

## Changes to Kentucky Sales Tax: Services Subject to Tax

Effective January 1, 2023, the Kentucky Department of Revenue has passed House Bill 8 which subjects several services to sales tax. Businesses providing these services must now collect 6% sales tax on the total sales price of the service beginning on or after January 1. Any business newly subject to sales tax that does not yet have a sales & use tax account through the KY OneStop Business Portal must apply for an account as <https://onestop.portal.ky.gov/OneStopPortal/>.

The list of newly taxable services includes:

- Body modification services, including tattooing, piercing, scarification, branding, tongue splitting, transdermal and subdermal implants, ear pointing, teeth pointing, and any other modifications that are not necessary for medical or dental health
- Bodyguard services
- Condominium time-share exchange services
- Cosmetic surgery services – Excludes reconstruction of facial and body defects due to birth disorders, trauma, burns, or disease
- Executive employee recruitment services
- Facsimile transmission services
- Household moving services
- Interior decorating and design services
- Labor and services to repair or maintain commercial refrigeration equipment and systems when no tangible personal property is sold in transaction, including service calls and trip charges
- Labor to repair or alter apparel, footwear, watches, or jewelry when no tangible personal property is sold in that transaction
- Lapidary services, including cutting, polishing, and engraving precious stones
- Leisure, recreational, and athletic instructional services
- Lobbying services
- Marketing services
- Massage services, except when medically necessary
- Parking services, excludes any parking services at an educational institution
- Personal background check services
- Personal fitness training services
- Photography and photofinishing services, excludes photography services necessary for medical and dental health
- Prewritten computer software access services
- Private investigation services

- Private mailroom services, includes presorting mail and packages by postal code, address barcoding, tracking, delivery to postal service, and private mailbox rental
- Process server services
- Public opinion and research polling services
- Recreational camp tuition and fees
- Rental of space for meetings, conventions, short-term business uses, entertainment events, weddings, banquets, parties, and other short-term social events
- Repossession of tangible personal property services
- Residential and nonresidential security system monitoring services
- Road and travel services provided by automobile clubs, as defined in KRS 281.010
- Social event planning and coordination services
- Specialized design services, including the design of clothing, costumes, fashion, furs, jewelry, shoes, textiles, and lighting
- Telemarketing services
- Testing services, except testing for medical, educational, or veterinary reasons
- Website design and development services
- Website hosting services