

# Tax-Free Merchandise

## Sales Tax

1. Unless you use military facilities for shopping, you will pay sales taxes on most items.
2. The listed price of the item DOES NOT include the sales tax.
3. Sales tax varies from state to state.
4. The federal government cannot refund a state sales tax.

## Value-Added Tax (VAT)

1. The VAT is a national tax commonly applied in foreign countries.
2. The United States DOES NOT have a VAT.

## Tax-Exemption

1. State taxes are not typically charged to diplomats or some employees of international organizations.
  - These individuals must have received a tax-exemption card, which must be presented at the time of purchase.
2. You are not exempt from paying sales tax.
3. You MAY be exempt from paying a personal property or owner's tax if you purchase an automobile in the US.
4. Ask your ISMO to explain rules that apply to you.

## Military Facilities

1. The use of military facilities enables you to purchase tax-free merchandise.
2. All shoppers must pay the imposed surcharge.
3. The commissary is a privilege reserved for military personnel and their dependents as authorized on the ITO.
4. These purchases are strictly for personal use or consumption.
  - There are penalties associated with the unauthorized transfer of tax-free goods, ESPECIALLY alcohol and tobacco.