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Rule 311.4 – Receipt of Personal Care Services

- A. 1. **Scope of rule.** This rule addresses receipt for sales of personal care services. In the context of this rule, “personal care services” refers to services that are performed on the physical human body.
2. **Personal care services covered by this rule.** This subsection provides a non-exclusive list of personal care services covered by this rule. The examples are not intended to describe any particular type of service activity as defined under state law. Personal care services include, but are not limited to:
- a. Beautician/barber services, such as hair, skin, and nail care services,
 - b. Hair removal or replacement;
 - c. Massage services;
 - d. Tattoo and body piercing services;
 - e. Healthcare services, such as
 - Physical, dental, or vision examinations
 - Surgery
 - Physical or occupational therapy
 - Speech pathology and audiology services
 - Hospice services
 - Taking of tissue/blood for testing purposes
3. **Services outside the scope of this rule.** Examples of services that are not addressed in this rule include:
- a. Medical services performed remotely
 - b. Dating services
 - c. Biopsy or other medical testing services on body tissue or fluids
 - d. Preparing the dead for burial or interment
 - e. Funeral services
 - f. Dues and fees paid for a membership to a fitness club
 - g. Instructions, lessons and physical fitness training
 - h. Personal care services available at multiple locations
- B. 1. **Sourcing of personal care services.** Except as otherwise provided in the Streamlined Sales and Use Tax Agreement or the rules adopted by the Governing Board, a purchaser “receives” a personal care service within the meaning of section 311.B of the Agreement at the location where the services are performed, which is the same location where the services are received by the purchaser (or the purchaser’s donee). The services

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will be received by the purchaser (or the purchaser's donee) either at the seller's location, 310 (A)(1) or at the purchaser's (or the purchaser's donee) location, 310 (A)(2).

2. **Examples:** The following examples illustrate the location of "receipt" of personal care services.
- a. **Sourcing to 310 (A)(1) – Seller's place of business.** Mark, a resident of State A, drops into a beautician's store location to have his hair cut and styled. The store location is in State B. The beautician is providing personal care services and the sale of these services must be sourced to the location where the services are received (place of first use). Mark makes first use of the services in State B where his hair is first cut and styled.
 - b. **Sourcing to 310 (A)(1) – Seller's place of business.** Janet has skin tissue samples removed at a medical clinic.. The medical clinic is providing personal care services and the sale of these services must be sourced to the location of the medical clinic since this is where the services are received (place of first use). Any further testing of the skin samples is not personal care services and is not within the scope of this rule.
 - c. **Sourcing to 310 (A)(2) – Other place of receipt known to the seller.** Sarah, a resident of State A, contacts a massage therapist located in State B for a therapeutic massage. Sarah requests that the therapist perform the massage at her residence in State A. The therapist travels to Sarah's residence and performs the massage. The therapist is providing personal care services and the sale of these services must be sourced to the location where the services are received (place of first use). Sarah makes first use of the services in State A where the massage is performed.