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pay homage to a more than 330-year-old treaty: then-governor Bob McDonnell was ...

Kerry Alexander • Nov. 17, 2015



Turkey and taxes. The U.S. has a long history of both. And in 2010, the two converged in Virginia as part of an annual Thanksgiving tradition where tribal and state leaders pay homage to a more than 330-year-old treaty: then-governor Bob McDonnell was presented with a turkey (and two deer) by tribal chiefs in lieu of taxes. Unfortunately, paying taxes in trade doesn't work for most of us. Depending on where and how you celebrate this year, your Thanksgiving feast could be served up with a side of sales tax.

Home cooking. Stop by your local supermarket for your traditional Thanksgiving dinner fixings – turkey, potatoes, cranberries, pumpkin, etc. – and you won't pay sales tax on those food items in most states. That's most, not all; 14 states tax groceries at either the full sales tax rate or a reduced rate. These states are Alabama,

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to wash but more sales tax to pay. Fifteen cities impose an additional tax on top of state sales tax for restaurant meals. These cities are Boston, Charlotte, Chicago, Denver, Indianapolis, Jacksonville, Kansas City, Miami, Milwaukee, Minneapolis, Omaha, Raleigh, Seattle, Virginia Beach and Washington DC. The add-on tax ranges from .05% in Milwaukee up to 5.50% in Virginia Beach.

Get it to go. Buy your pie already baked or get your potatoes pre-mashed from the deli and you'll pay a little extra for the convenience. A number of states, including Minnesota, tax prepared food. This can include food that is heated before sale; food where two or more ingredients are mixed together; and food sold with eating utensils. So whether you order take out from a restaurant or a complete Thanksgiving feast from supermarket catering, you'll likely pay sales tax.

Get it delivered. Nowadays you can get gourmet meals delivered right to your door through popular food retailers like Harry & David and Williams-Sonoma and culinary services like Blue Apron, Platejoy and Freshly. You can shortcut having to shop or cook, but you can't short change the state when it comes to sales tax. If you only receive fresh or frozen ingredients in their original form or package, then you would be taxed according to food taxability rules for your state. If any of the items have been re-packaged, combined, prepped or pre-cooked, then state sales and use tax rules for prepared items would apply.

Hire a chef. In some states, like Washington and California, personal chefs or professional cooks are considered independent contractors and services provided by the chefs are subject to retail sales tax. The amount of tax is determined by where the customer receives the prepared food. In the case of a home-prepared Thanksgiving meal, the sale tax rate would be based on the jurisdiction in which the host resides. Want to save a few bucks? Supply the ingredients. You'll only pay sales tax on the

taxable items. If the personal chef does the shopping, the food is considered part of

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