

Exempting Self-Service Laundry Services from Sales Tax

Protects the Financial Security and Health of the Low-Income and Promotes Principles of Good Tax Policy



The median household income of a regular self-service laundry customer is only \$23,000 per year. Failing to exempt self-service laundry services from the sales tax is regressive and puts these individuals at risk of coming into contact with disease-causing bacteria and viruses because they cannot afford to wash their clothes, towels, and bedding. Because of this, and the numerous economic and tax policy arguments for exempting these services, nearly all states exempt self-service laundry services from their sales tax.

Sales tax exemptions for self-service laundries are an important tax provision that have far-reaching social and economic benefits. The Coin Laundry Association (CLA) is committed to ensuring that all self-service laundries remain exempt from sales tax based on several fundamental principles of tax policy and to advance the health and financial security of families in our communities all across the United States.

Sales tax exemptions for self-service laundries protect the financial security of low-income working families and other vulnerable populations. Taxing self-service laundry services is regressive. Self-service laundries serve low-income renters, senior citizens on fixed incomes, students, and others who cannot afford to purchase washers and dryers on their own. The median household income of a regular self-service laundry customer is \$23,000 per year (*Laundry Customer Survey*, CLA). Applying sales tax on these transactions is a regressive tax that isn't paid by wealthier individuals who can afford to purchase a washer and dryer for their own homes.

Self-service laundry provides a basic public health service. Clean clothes are a necessity, not an optional or luxury service. Failure to regularly wash clothing, bedding, and towels can cause the growth of disease-causing viruses and bacteria, threatening the health of those that come into contact with the unwashed fabrics. Families visiting their local laundry each week rely on these services for the health and safety of their families. Increasing the cost of these laundry services will make it more difficult for families to afford this basic necessity.

