

Candy

Taxable Subcategory of Food—See Fact Sheet 102A

102B

Fact Sheet

Candy is taxable. The exemption for food products does not apply to candy. "Candy" means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts, or other ingredients or flavorings in the form of bars, drops, or pieces regardless of size. Candy does not include any preparation containing flour and must require no refrigeration.

Flour: Items that contain the word "flour," such as white, whole wheat, rice, corn, or brown flour, as an ingredient on the label are not taxable candy. Examples of items that contain flour that are not taxable include Kit Kats, Twix, Reese-Sticks, and licorice. Food ingredients such as soy or whey that are sometimes used in place of flour are not flour.

Refrigeration: If an item *requires* refrigeration, it is not candy. For example, Popsicles and ice cream bars require refrigeration so they are not taxable candy. However, these items are taxable if they are prepared food. See Fact Sheet #102D, Prepared Food, for more information.

Candy that does not *require* refrigeration is taxable even if it is sold frozen.

Sweeteners: Examples of sweeteners are corn syrup, dextrose, invert sugar, sucrose, fructose, sucralose, saccharin, aspartame, stevia, fruit juice concentrates, molasses, evaporated cane juice, rice syrup, barley malt, honey, and artificial sweeteners.

Note: All food sold from vending machines, or food prepared by the seller, is taxable. Cotton candy is commonly thought of as candy, but it is not candy because it is not sold in the form of

bars, drops or pieces. Cotton candy is taxable when prepared by the seller.

Examples of **taxable candy** include:

- almond bark
- breath mints
- breakfast and nutrition bars without flour
- candy bars
- chocolate chips
- chocolate-coated potato chips
- fruit roll-ups
- marshmallows
- caramel corn
- caramel apples
- chocolate or carob covered raisins, nuts, etc.
- sweet or semi-sweet cooking bars or chips
- gum
- honey roasted and honey coated nuts, beer nuts
- peanut brittle
- sugarless candy
- yogurt covered raisins, nuts, etc.

Brand names are shown for illustration purposes only and do not imply sole representation in any category.

References

M.S. 297A.61, Subd. 3(d), Definitions
 M.S. 297A.61, Subd. 33, Candy
 MN Rule 8130.4700, Prepared Food, Candy, and Soft Drinks

Fact sheets that may be of interest:

Food and Food Ingredients, #102A
 Soft Drinks and Other Beverages, #102C
 Prepared Food, #102D
 Dietary Supplements, #102E
 Restaurants and Bars, #137
 Vending Machines and Other Coin-Operated Devices, #158