

Taxation of Menstrual Supplies in Vermont

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In the United States, 45 states have a sales tax,ⁱ and 31 apply it to menstrual supplies.ⁱⁱ Some states apply a luxury tax to these products. Eight states, including Connecticut,ⁱⁱⁱ Florida,^{iv} Illinois,^v Ohio,^{vi} Nevada,^{vii} New York,^{viii} Rhode Island,^{ix} Utah,^x and Washington D.C.^{xi} have passed legislation excluding menstrual supplies from tax since 2016. Internationally, this issue has received attention, with Australia,^{xii} Canada,^{xiii} India,^{xiv} Malaysia,^{xv} and Rwanda^{xvi} abolishing this tax since 2015. In Vermont, a bill in the 2019-2020 legislative session (H.29) would add tampons, sanitary napkins, and similar menstrual supplies to the list of items excluded from sales tax. In 2019, middle school students gathered more than 2300 signatures on a petition calling for the elimination of the sales tax on menstrual supplies.^{xvii} In November 2019, lawmakers wrote a letter to Vermont's acting Tax Commissioner, asking whether menstrual supplies could fall under existing exemptions. The Tax Department responded, recommending legislative action as the easiest path to exempt these products from sales tax.

CURRENT STATUS

In Vermont menstrual supplies are considered a luxury, and not necessities. They are subject to state sales tax at 6%, and to local option tax at 1%.^{xviii}



COMPARABLE EXEMPT PRODUCTS

Groceries, most clothing, children's and adult diapers, and agricultural supplies are examples of necessities exempt under Vermont's tax code. Medical products exempt from sales tax include;

- Band-Aids, bandages, surgical dressings
- disposable heating pads, syringes and needles
- durable medical equipment
- prescription drugs and over the counter drugs

Personal hygiene products like soap, shampoo, toothpaste, razors, and antiperspirants are not exempt from sales tax.^{xix}

MENSTRUAL CUPS

Menstrual cups are a menstruation collection

device, typically made of flexible, medical grade silicone or latex. They are worn inside the user during menstruation, removed, washed, and re-inserted. The cups can be sterilized by boiling.^{xx} Use of menstrual cups is increasing as a safe and eco-friendly alternative to disposable tampons and sanitary napkins.

Menstrual cups are currently subject to Vermont sales tax, like tampons and sanitary napkins. As drafted, Vermont's proposed bill to exempt menstrual supplies from sales tax includes "sanitary napkins, tampons, or similar items used for feminine hygiene".

Florida,^{xxi} Illinois,^{xxii} Ohio,^{xxiii} Rhode Island,^{xxiv} Utah,^{xxv} and Washington D.C.^{xxvi} have explicitly exempted menstrual cups from tax, but Connecticut,^{xxvii} Nevada,^{xxviii} and New York's^{xxix} exemptions have not; their exemptions focus on disposable products.

RATIONALE

Proponents of eliminating sales tax on menstrual supplies argue the tax contributes to economic inequity because most users and purchasers of menstrual supplies are women, and that these products are necessities and should be treated the same as other necessities under the tax code. Like medical supplies that are exempt, users don't choose whether to need to use them.

Proponents also cite the expense of these products for low-income families. While the amount of tax may be small per sale, they are needed each month, and the cost adds up.

Proponents argue that this taxation perpetuates the inequity already experienced by women as a result of the gender wage gap.

Opponents of the proposed change argue that the state needs the revenue, that this change would be giving women special treatment, and that toilet paper, currently taxed in Vermont, is the best product for comparison.

SAVINGS

The average person who menstruates will spend \$1,773.33 on tampons in their lifetime, if they

also use panty liners, that adds another \$443.33 to their lifetime cost.^{xxx, xxxi}

The Vermont sales and local option tax amount to \$124.13 on tampons, and another \$31.03 in tax on panty liners per lifetime. Some women with heavier flows or longer periods, or who choose premium or organic products, will pay significantly more.



COST

According to Period Equity, Vermonters spend a total of \$7,646,210 on menstrual supplies annually, paying \$458,773 in state sales tax and \$13,763 in local taxes.^{xxxii}

ⁱ Janelle Cammenga, *State and Local Sales Tax Rates, 2019*, TAX FOUNDATION, Jan. 30, 2019, <https://taxfoundation.org/sales-tax-rates-2019/>.

ⁱⁱ *Ax the tax*, PERIOD EQUITY, (Dec. 16, 2019 at 10:37 a.m.), <https://www.periodequity.org/issues>.

ⁱⁱⁱ S.B. 502 Reg. Sess. (Ct. 2016) (enacted).

^{iv} H.B. 7109 Reg Sess. (Fl. 2017) (enacted).

^v S.B. 2746 Reg Sess. (Il 2016) (enacted).

^{vi} S.B. 26 Reg Sess. (Oh 2019) (enacted).

^{vii} S.B. 415 Reg. Sess. (Nv 2018) (enacted).

^{viii} A.7555-A/S.7838 Reg. Sess (NY 2016) (enacted).

^{ix} H.B. 5307 Reg. Sess. (Ri 2019) (enacted).

^x S.B. 2001, 2nd Special Session (Ut 2019) (enacted).

^{xi} D.C. Law 21-201, 2016.

^{xii} Eli Meixler, *Australia Ditches 'Tampon Tax' After 18 Years of Outrage From Women's Rights Groups*, TIME MAGAZINE, Oct. 3, 2018, <https://time.com/5413585/australia-ends-tampon-tax-gst/>.

^{xiii} Watters, Hayden, *'Tampon tax' will end July 1'*, CBC NEWS, May 28, 2015, <https://www.cbc.ca/news/politics/tampon-tax-will-end-july-1-1.3091533>.

^{xiv} *India scraps tampon tax after campaign*, BBC WORLD NEWS, Jul. 21, 2018, <https://www.bbc.com/news/world-asia-india-44912742>.

^{xv} Leah Rodriguez, *Malaysia Finally Lifts 'Tampon Tax' on Menstrual Hygiene Products*. GLOBAL CITIZEN, Aug. 30, 2018,

<https://www.globalcitizen.org/en/content/malaysia-lifts-tampon-tax-menstrual-hygiene/>.

^{xvi} Jessica Weiss-Wolf and Emily Bell McCormick, *Even Utah is Ending the Discriminatory Tampon Tax. Who's Next?* NEWSWEEK, Dec. 13, 2019,

<https://www.newsweek.com/even-utah-ending-discriminatory-tampon-tax-whos-next-opinion-1477143>.

^{xvii} Alivia Roth & Lydia Sheeser. *Support tax-free feminine hygiene products in Vermont*. CHANGE.ORG, (Dec. 16, 2019 at 12:41 p.m.),

<https://www.change.org/p/vermont-legislature-support-tax-free-feminine-hygiene-products-in-vermont>.

^{xviii} 32 V.S.A. § 9771; 24 V.S.A. § 138; 32 V.S.A. § 9741.

^{xix} 32 V.S.A. § 9741; *What's Taxable and Exempt?*, Vermont Department of Taxes (Dec. 16, 2019 at 12:36 p.m.), <https://tax.vermont.gov/exempt-items>.

^{xx} *What is a Menstrual Cup?* WEB MD, (Dec. 16, 11:47 a.m.), <https://www.webmd.com/women/guide/menstrual-cup#1>.

^{xxi} H.B. 7109 Reg Sess. (Fl. 2017) (enacted).

^{xxii} S.B. 2746 Reg Sess. (Il 2016) (enacted).

^{xxiii} S.B. 26 Reg Sess. (Oh 2019) (enacted).

^{xxiv} H.B. 5307 Reg. Sess. (Ri 2019) (enacted).

^{xxv} S.B. 2001, 2nd Special Session (Ut 2019) (enacted).

^{xxvi} D.C. Law 21-201, 2016.

S.B. 502 Reg. Sess. (Ct. 2016) (enacted).

^{xxviii} S.B. 415 Reg. Sess. (Nv 2018) (enacted).

^{xxix} A.7555-A/S.7838 Reg. Sess (NY 2016) (enacted).

^{xxx} Jessica Kane, *Here's How Much A Woman's Period Will Cost Her Over A Lifetime*, HUFFPOST, Dec. 6, 2017, https://www.huffpost.com/entry/period-cost-lifetime_n_7258780.

^{xxxi} The average person who menstruates has periods from age 12-50, or about 40 years in her lifetime, and an average of 5 days per month. Tampons should be changed every 4-8 hours, for an average need of 20 tampons per cycle. A box of 36 tampons costs an average of \$7 at Walgreens. For panty liners, assume 5 per period. A box of 36 costs an average of \$7 at Walgreens.

^{xxxii} Period Equity: U.S. Tampon Tax Revenues, PERIOD EQUITY, (Dec. 16, 2019 at 12:21 p.m.), <https://docs.google.com/document/d/1eckF-uraBQZ0xBfk9d4marBjl7HztOHwt21uAum0Nbk/>.