

**8130.9000 SOFT WATER EQUIPMENT AND SERVICE DEALERS.**

Subpart 1. **Sales.** Sales of water softening equipment and tanks which are attached by a dealer to real property leased or owned by the purchaser are exempt from Minnesota sales tax as sales of improvements to real property. Sales to dealers of such water softening equipment and tanks are considered retail sales and are subject to the tax at the time of sale to the dealer. Sales of equipment, tanks, replacement parts, salts and other chemicals directly to customers are taxable at the retail price if not installed by the dealer.

Subp. 2. **Rentals.** Receipts from the rental of water softening equipment and tanks, regardless of how attached to the premises of the lessee, are subject to the sales and use tax. The rental, lease, or lease coupled with an option to purchase such equipment and tanks constitutes a sale at retail of tangible personal property. The tax applies to charges for the delivery and installation of rented equipment and tanks, including charges to replace or exchange such equipment or tanks, regardless of whether those charges are separately stated on the initial invoice or billing, or whether the installation is performed by the lessor of the equipment and tanks. Sales to dealers of equipment and tanks intended to be used only for leasing to customers are considered sales for resale.

Subp. 3. [Repealed, 31 SR 1801]

**Statutory Authority:** *MS s 270C.06; 297A.29*

**History:** *L 2005 c 151 art 1 s 114; 31 SR 1801*

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