

Businesses in the 1A classification are selling the following products or provide the following services:

- Food and beer for home consumption, except for retail sales of delicatessens and candy
- Services performed by food brokers

Businesses in the 1B classification are selling the following products:

- Building materials, builder's hardware
- Electrical supplies
- Farm equipment
- Glass
- Hardware
- Heating and air conditioning equipment
- Lumber
- Paint
- Plumbing
- Roofing materials
- Service station sales of tangible personal property except for gasoline, diesel fuel and motor oil
- Tools
- Wholesale sales of gasoline and diesel fuel

Businesses in the 1C classification are selling farm, nursery and related products including:

- Bulbs
- Feed
- Fertilizer
- Grain
- Hay
- Nursery stock
- Seeds
- Other farm, lawn and garden tools and supplies

Businesses in the 1D classification provide retail sales of gasoline, diesel fuel and motor oils.

This classification involves sales of tangible personal property. **Any business selling tangible personal property that is not specifically named or described in *this* or *any other* classification uses this classification.**

Businesses selling the following items are specifically included in Classification 2:

- Advertising specialties
- Boats, marine supplies and outboard motors
- Clothing, including shoes, hats, underwear and related articles for personal wear or adornment, except persons selling retail clothing to individual order
- Coal, wood, ice, fuel oil and liquefied gas
- Florists
- Nurseries
- Home furnishings, including retail sales of radios, televisions, record players, stereos, sound reproducing equipment, musical instruments, phonographic records, pianos and sheet music
- Household furniture, floor coverings and related products, draperies, curtains, upholstery, china, glassware and metal ware for kitchen and table use, miscellaneous home furnishings, such as brooms, brushes, lamps and shades, electric and gas stoves, refrigerators and other household appliances
- Mobile homes and campers
- Motorcycles and go-carts

- Motor vehicles, parts and accessories, tires and batteries
- Prescription drugs and patent medications
- Restaurants that prepare food and drinks, including alcoholic beverages for consumption on and/or off the premises

Classification 3 is for **service businesses**. Some businesses that provide services are listed in this section as exempt and are not required to have a business license. Additionally, some businesses selling tangible personal property are also included in this classification.

Sellers of these types of tangible personal property are classified under Classification 3 include:

- Antiques, including antique furniture, furnishings and objects of art
- Architectural supplies
- Artist paints and supplies
- Artificial flowers
- Awnings
- Baby carriages
- Bait
- Banners
- Binoculars
- Books
- Cameras, film and other photographic supplies and equipment
- Candy
- Cigars, cigarettes, tobacco and smoking supplies
- Clothing made to individual order
- Coins
- Delicatessens
- Electric razors
- Fireworks
- Flags
- Gemstones
- Gifts and novelty merchandise, souvenirs and miscellaneous small art goods, such as greeting cards and holiday decorations
- Hearing aids
- Jewelry, diamonds and other stones mounted in precious metals, rings, bracelets, brooches, sterling and plated silverware, watches and clocks
- Leather goods
- Luggage
- Office supplies, including stationery, accounting and legal forms, office forms and supplies, pens and pencils, school supplies and writing supplies
- Optical lenses and other related tangible personal property dispensed by an optometrist or ophthalmologist in conjunction with professional services rendered to patients
- Orthopedic and artificial limbs
- Pawn shops
- Pet foods
- Pets
- Piers and floats
- Rock and stone specimens
- Rubber stamps
- Sporting goods and equipment, including stores that sell bicycles, bicycle parts and accessories
- Stamps
- Swimming pools
- Telescopes

- Tents
- Theater programs
- Trophies
- Trunks
- Typewriters
- Toupees, wigs and wiglets
- Toys, games and hobby kits and supplies

Exempt Services - Receipts derived from the sale of the services listed below are **exempt**. No business license is needed and no tax is due.

- Accounting services
- Architecture
- Banks, building and loan associations, mortgage bankers and other similar organizations
- Camps and trailer parks where charges are made only for rental of real property. Persons who rent trailers to transients or sell tangible personal property or make separate charges for specific services furnished are not exempt.
- Charitable
- Domestic
- Educational
- Educational research agencies
- Engineering
- Insurance companies and holding companies
- Legal
- Lessors of agricultural, forestry, mining, oil, public utility and airport properties
- Medical, dental and allied health services to human beings, except services to persons engaged in making dentures and artificial teeth
- Non-profit membership organization services that are for the promotion of the interests of the members
- Operators of residential and non-residential buildings other than hotels, motels and rooming houses
- Public utilities as defined in Tenn. Code Ann. Section 65-4-101
- Religious
- Surveying
- Veterinary services

Classification 4 is for contractors and for the sale of certain farm products. Persons receiving compensation from rendering the following services or selling the farm items listed below are considered to be under Classification 4:

- Constructing, building, erecting, repairing, grading, excavating, drilling, exploring, testing or adding to any building, highway, street, sidewalk, bridge, culvert, sewer, irrigation or water system, drainage or dredging system, levee or levee system or any part thereof, railway, reservoir, dam, power plant, electrical system, air conditioning system, heating system, transmission line, pipeline, tower, dock, storage tank, wharf, excavation, grading, water well and any other improvement or structure or any part thereof
- Exterminating services
- Installing personal property
- Sales of livestock, poultry or other farm products, excluding sales by persons who directly produce and sell such products

Industrial loan and thrift companies required to obtain a certificate and a license under Tenn. Code Ann. Title 45, Chapter 5 are subject to business taxation under Classification 5.