


# ***ST 2318 - SALES TAX : TAPESTRIES***

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TAXATION RULING NO. ST 2318

SALES TAX : TAPESTRIES

F.O.I. EMBARGO: May be released

REF

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TAPESTRIES

SALES TAX (EXEMPTIONS  
AND CLASSIFICATIONS)  
ACT; ITEM 8,  
THIRD SCHEDULE

FACTS

The classification of tapestries has recently been considered.

2. Tapestries are woven products produced by using a special weaving process. The yarns are woven in a manner whereby they interlock around the same warp or interlock around adjacent warps. Depending on the technique employed a variety of finishes can be achieved.

3. Tapestries are mainly produced on a mechanical loom, the most common being the Jacquard loom. The Jacquard loom operates on a perforated card system similar to a knitting machine. This enables a wide range of patterns and intricate designs to be produced.

4. Other tapestries are produced on a hand loom or may be hand woven, the weaver following the pattern printed on the tapestry fabric in like fashion to an embroidery. Hand woven tapestries of this kind are generally made only in countries where labour is cheap and they are produced in lots of hundreds or thousands.

5. Tapestries may be used for a wide range of purposes. They may be framed or unframed. The most common use of a tapestry is as a wall hanging but they also may be used as a rug or other floor covering. Tapestry may also be used for upholstering furniture.

RULING

6. Framed tapestries are invariably used as wall hangings and are taxable at the rate of 20%. That rate also applies to unframed tapestries that are used as wall hangings or are just purchased as a tapestry, whether for hanging on a wall or to be used in some other way.

7. Tapestries which are produced for use as and sold as floor rugs are taxable at 10% under Item 1, Third Schedule. Tapestries which are further processed to form cushion covers, chair covers or bedspreads are taxable at 10% under Item 8, Third Schedule.

8. Tapestry fabric, that is tapestry produced in the roll, is exempt from sales tax under item 120(5), First Schedule.

9. Where a tapestry has an identity other than those outlined above, full details should be supplied to the nearest Taxation Office branch for a decision on the rate of tax applicable to it.

COMMISSIONER OF TAXATION  
22 JANUARY 1987