

493.0000 REUPHOLSTERERS—Regulation 1550

[493.0100 Interior Decorating](#). An interior decorator asked for interpretations of the application of tax to various charges:

(1) The estimate contracts for reupholstery do not list labor separately but repair and installation labor is identified on subsequent billings to the client.

Charges for repair and installation labor are not required to be separately stated on the estimate contract. However, if such charges are not separated on the final invoice to the client and the retail value of the parts and materials furnished in connection with repairs is more than ten percent of the total charge, the contractor will owe tax on the retail selling price of the parts and materials as well as fabrication labor. The retail selling price will be determined based on the evidence available.

(2) When reupholstering furniture, are loose back pillows considered part of a piece of furniture?

The pillows of a loose-pillow back piece of furniture are considered component parts of the furniture.

(3) Carpet remnants are purchased from carpet installers and the installers make them into an area rug. Is tax due on the remnant and the labor to fabricate the rug?

If an area rug made from carpet remnants is sold, tax applies to the entire charge for the rug including the charge for the labor to make the rug from the remnants. 4/26/92.