

The Louisville Municipal Code (LMC) imposes a tax upon the periodic charge for the rental of indoor or outdoor storage facility space ordinarily used to store tangible personal property in the City.

The term storage facility means any indoor or outdoor area, structure, warehouse or unit, whether mobile or immobile, which is ordinarily used to store tangible personal property. The term storage facility does not include kennels, lockers, mobile home pads, safe deposit boxes, or reservoirs.

Storage facility retailers must also collect Louisville sales tax on the purchase price paid for other tangible personal property sold or rented, such as padlocks, lock cutters, boxes, padding or wrapping materials, storage bins, rope, twine, tape, tarps or pallets, in addition to the rental of any vehicles provided.

Purchases made by storage facility retailers of tangible personal property or taxable services that are used, stored, distributed or otherwise consumed in the City are subject to sales/use tax. Storage facility retailers are given credit against the Louisville tax rate for items purchased from another jurisdiction where a lawfully imposed sales or use tax was paid. Use tax must be paid to the City for any purchases where the tax paid was less than the Louisville rate or where no municipal tax was paid.

Common items where the storage facility retailer is the consumer of taxable items and must pay sales/use tax include:

Fixed Asset purchases, including the lease or rental of any furniture, fixtures or equipment including office equipment, computer hardware/software (including license fees), fire abatement systems, temperature control systems, sprinkler systems, security or monitoring equipment, access control systems including security gates and landscaping.

Maintenance materials used to make facility repairs, including the replacement or repair of overhead doors, tracks, walls, floors, signage and landscaping, are subject to City sales/use tax. Labor is not taxable if separately stated on the invoice. When repairs are invoiced as a lump sum with labor, the whole purchase price paid is taxable.

Other consumable items that are taxable include office supplies, maintenance and cleaning supplies, and any tools that are not held as inventory, but are for resale or rental.

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The information contained in the Tax Guide publications is intended to offer general guidance in layman's terms, for this topic, industry or business segment, and is not intended for legal purposes to be substituted for the full text of the Louisville Municipal Code rules and regulations. This guide does not constitute a city tax policy.