



Diaper Tax Exemption Fact Sheet

Key Statistics:

- Nearly 1 in 2 U.S. families struggles to provide enough diapers to keep their baby clean, dry, and healthy.
- The poorest fifth of Americans who buy diapers spend nearly 14% of their post-tax income on them.
- Without enough diapers, infants and toddlers are at risk of skin infections, open sores, urinary tract infections, and other conditions that may require medical attention.
- A Connecticut study on the economic impact of diaper banks found that parent income increased by \$11 for every \$1 invested in diaper assistance, as better access to childcare created more time for employment and to attend educational and training programs.
- Many diaper banks have seen a 2-3x increase in demand during the pandemic and on average, increased distribution by 86%.

Why Exempt Diapers from Sales Tax:

- Families spend \$1080 on average per year on diapers, which means that in a state that charges a state sales tax of 4% families will spend an extra \$43/year on diapers, and in a state that charges 7% families will spend an addition \$76.
- Diapers provide opportunities for both children and their parents. Without diapers, parents unable to access childcare because of lack of diapers missed work on average 5 days per month.
- 33 states (plus Washington D.C.) exempt food from their general sales tax and 5 states tax food at a lower rate than other goods. Like food, diapers are a basic necessity that families with young children require to thrive.
- 18 states and Washington D.C. have permanently exempted diapers from sales tax, including most recent additions North Dakota, Texas, and Florida.