

Title 7: Agriculture

PART 278—PARTICIPATION OF RETAIL FOOD STORES, WHOLESALE FOOD CONCERNS AND INSURED FINANCIAL INSTITUTIONS

---

§278.2 Participation of retail food stores.

(b) Equal treatment for coupon customers. Coupons shall be accepted for eligible foods at the same prices and on the same terms and conditions applicable to cash purchases of the same foods at the same store except that tax shall not be charged on eligible foods purchased with coupons. However, nothing in this part may be construed as authorizing FNS to specify the prices at which retail food stores may sell food. However, public or private nonprofit homeless meal providers may only request *voluntary* use of SNAP benefits from homeless SNAP recipients and may not request such household using SNAP benefits to pay more than the average cost of the food *purchased* by the public or private nonprofit homeless meal provider contained in a meal served to the patrons of the meal service. For purposes of this section, "average cost" is determined by averaging food costs over a period of up to one calendar month. Voluntary payments by SNAP recipients in excess of such costs may be accepted by the meal providers. The value of donated foods from any source shall not be considered in determining the amount to be requested from SNAP recipients. All indirect costs, such as those incurred in the acquisition, storage, or preparation of the foods used in meals shall also be excluded. In addition, if others have the option of eating free or making a monetary donation, SNAP recipients must be provided the same option of eating free or making a donation in money or food stamps. No retail food store may single out coupon users for special treatment in any way.

Provided by:

Mary Lou Chapman, President  
Rocky Mountain Food Industry Assn.  
P.O. Box 1083  
Arvada, CO 80001  
[marylou@rmfia.org](mailto:marylou@rmfia.org)



## IMPORTANT SNAP INFORMATION

### Grocery Bag Fees

Recently some States have begun charging customers a fee for each shopping bag (plastic and/or paper) provided by a grocery store. Other States are considering charging grocery bag fees as well. State's grocery bag fees may **not** be paid for with SNAP benefits. In addition, the Food and Nutrition Service does not have authority to exempt SNAP clients from this fee. Therefore, grocery bag fees must be paid for using cash, credit card, or non-SNAP debit. Stores that give discounts at the point-of-sale if customers bring their own bags must treat SNAP clients in the same manner.

### Sales Tax

SNAP licensed retailers may not charge state or local sales tax on SNAP purchases. This does NOT mean that food items that are subject to sales tax (e.g. soft drinks, snack foods, etc) are ineligible. Eligible items that are subject to sales tax may still be purchased with SNAP benefits. Sales tax, however, cannot be charged when SNAP is used to make the purchase. Sales tax can, however, be charged on the portion of eligible items paid for with manufacturers or other discount coupons. Such tax cannot be paid with SNAP benefits.

### Seasonal Gift Items

Holiday gift baskets for Valentine's Day, Easter, Mothers Day, Thanksgiving, Holiday stockings, and seasonal items like holiday tins are NOT eligible for purchase with SNAP benefits if the value of the nonfood part of the item clearly accounts for more than 50% of the purchase price.

For Example:

- A stuffed holiday bear sold with a small package of chocolate for \$14.99 would **not** be eligible for SNAP purchase, but
- A gift basket consisting primarily of meats and cheeses or snack foods, and including a small toy — where the cost of the food items clearly accounts for more than 50% of the purchase price of the item — would be eligible for purchase with SNAP benefits.

Baskets and holiday stockings that contain any amount of alcohol, cigarettes, cat, dog, or other pet food and/or pet toys may **not** be purchased with SNAP benefits.

-----

We encourage all SNAP participating stores to advertise healthy food items and encourage all people, including SNAP recipients, to eat healthfully.

Visit <http://www.choosemyplate.gov/> for more information.

\*\*\*\*\*

If you have any questions, please contact the Food and Nutrition Service (FNS). If you are not sure who to call, check our Website at: <http://www.fns.usda.gov/cga/Contacts/FieldOffices/default.htm>, or call our toll free SNAP Retailer Service Center at 1-877-823-4369, and a representative will direct you to the appropriate FNS Office.