



Second-hand goods -

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Charities Consultative Committee

Second-hand goods

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Where an endorsed charity receives donated second hand clothing, removes the buttons and/or lace, and sells them, do the buttons and lace retain their original character?

1. Yes. The character of a button (even when attached to clothing) is to operate as a fastener. Merely separating the buttons from the clothing does not change this character. Similarly, the character of lace is to serve as decoration. The removal of lace from clothing does not change this character. Accordingly, the sale of buttons and lace obtained from second hand clothing in this manner would be GST-free.