Due to the high resource consumption and environmental impacts of textile production, better handling of discarded materials has a great environmental improvement potential. A uniform definition of textile waste and a stringent sorting procedure is a precondition for thorough investigations of discarded textiles. A review of waste sorting studies showed that only a few included textiles, and mainly considered content and not quality. A lack of definition and quality assessment causes a high risk of mistakes when assessing the potential of textile waste prevention. This study establishes a method for sorting and quality assessment of textiles in household waste, validated through dialogue with professional textile sorting centres. It also suggests a minimum waste sample size. The quality assessment is based on analysis of product types, manufacturing methods, fibre composition and a product condition assessment based on 17 criteria. The developed method was applied in a case study and compared with other sorting methods. It showed that 61% of the clothing in residual waste and 83% in small combustibles and that 78% of the household textiles in residual waste and 85% in small combustibles was reusable or recyclable. The comparison with existing methods showed that sorted quantities varied significantly when different sorting methods were applied even when the sorting was done on the same sample. This study suggests a new standard for defining and assessing categories and qualities of used textiles, adapted to real contemporary sorting technologies, and tested on waste samples.