

CONTINUATION SHEET
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WITH THE LEGISLATIVE REFERENCE BUREAU
(Pursuant to Commonwealth Documents Law)

ANNEX A

Title 61. Revenue, Part I. Department of Revenue, Subpart B, General Fund Revenues, Article II. Sales and Use Tax, Chapter 60. Sales and Use Tax Pronouncements - Statements of Policy.

§ 60.17. Sale of food and beverages by nonprofit associations which support sports programs.

(a) Definitions. The following words and terms, when used in this section, have the following meanings, unless the context clearly indicates otherwise:

[Fixed location - A permanent structure or building.]

* * *

[Public property - Real property which is owned or leased by one of the following:

(i) A county, municipality or school district.

(ii) An authority of a county or municipality.]

* * *

Support - The term means the following:

(i) The nonprofit association sells food and beverages and uses the funds raised solely to pay the expenses of a sports program.

(ii) The nonprofit association sells food and beverages at a [fixed] location [on public property] where a sports program is being conducted.

(b) Scope.

(1) The sale of food and beverages by nonprofit associations which support sports programs is not subject to tax.

(2) [The following are examples of taxable sales by nonprofit associations which support sports programs:

(i) "C" charitable association operates a food stand at soccer games on public property where food and beverages are sold to fans. The food stand is not a permanent structure or building but consists of a folding table and chairs as well as other movable objects and pieces of equipment. Sales of food and beverages by "C" to fans are taxable since these sales are made from a temporary structure rather than a fixed location.

(ii) "Y" youth association sells food and beverages to fans from a fixed location on private property where league baseball games are played. Sales of food and beverages by "Y" to fans are taxable since the food stand is not located on public property.

(3)] The following are examples of taxable and nontaxable sales by nonprofit associations [from fixed locations on public property]:

* * *

(c) Equipment and supplies.

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(3) The following examples illustrate what items are and are not subject to tax:

(i) In connection with the sale of food and beverages at a food stand [on public property] where a sports program is being conducted, "N" nonprofit association provides tables and chairs for its customers to use. "N" is not an exempt organization under § 32.21. "N" shall pay tax on these items at the time of purchase and may not claim the resale exemption even though the invoices separately state the charges for these items.

(ii) In connection with the sale of food and beverages at a food stand [on public property] where a sports program is being conducted, "X" nonprofit association provides to its customers paper plates, styrofoam cups, straws, paper napkins, and plastic knives, forks and spoons. "X" is not an exempt organization under § 32.21. "X" can purchase paper plates and styrofoam cups exempt from tax on the basis that these items qualify as wrapping supplies. "X" shall pay tax

upon the purchase of straws, paper napkins, and plastic knives,
forks and spoons.

3/10/11