

TITLE 12—DEPARTMENT OF REVENUE
Division 10—Director of Revenue
Chapter 110—Sales/Use Tax—Exemptions

12 CSR 10-110.846 Taxability of Sales Made at Fund-Raising Events Conducted by Clubs and Organizations Not Otherwise Exempt From Sales Taxation

PURPOSE: This rule clarifies the taxability of admission charges to certain fund-raising events conducted by clubs and organizations not otherwise exempt from the collection and payment of sales tax.

(1) Admission receipts to a fund-raising event, where food and beverages or other tangible personal property are provided to those attending, are not subject to sales tax when the person conducting the fund-raising event has paid sales tax on his/ her purchases of the food and beverages and other tangible personal property to be provided to those attending. The taxable event takes place when the food and beverages are purchased by the promoter of the event. For sales tax purposes, the promoter of the event is deemed to be the consumer of the food, beverages and other tangible property.

(2) Receipts derived from the sale of tangible personal property, which are separate from and unrelated to the admission receipts from the fund-raising event, are subject to sales tax.

(3) Example: A club conducts a fund-raising event. Admission tickets are sold for fifty dollars (\$50) each. The ticket entitles the purchaser to admission to the event which includes food and beverages which were purchased from a caterer by the club for twenty dollars (\$20) per person plus sales tax. The ticket also includes a memento, a soccer ball key chain, which the club purchased for one dollar (\$1), plus sales tax. During the course of the event, an auction is conducted and items are sold to raise additional funds. Photos of the team are also offered for sale. Receipts from the admission tickets are considered donations and are not subject to sales tax; however, receipts derived from the auction and sale of the photos are subject to sales tax.

(4) Example: Assume the same facts as in section (3). There is also a cash bar operated by the hotel. The hotel must collect sales tax on all sales made at its bar.

(5) Example: A club conducts a fund-raiser. Admission tickets are sold for one hundred dollars (\$100) each. The club buys food and beverages under a resale exemption certificate. The actual cost of food and beverages is twenty dollars (\$20) per ticket. Since the club did not pay tax on its purchase of food and beverages, but purchased them for resale, the taxable event is considered to take place when the admission ticket is sold. Therefore, the club must obtain a temporary sales tax license and must collect sales tax on the one hundred dollar (\$100) admission ticket.

*AUTHORITY: section 144.270, RSMo 1994. * This rule originally filed as 12 CSR 10-3.846. Original rule filed Dec. 15, 1987, effective April 28, 1988. Moved to 12 CSR 10-110.846, effective Aug. 31, 2023.*

**Original authority: 144.270, RSMo 1939, amended 1941, 1943, 1945, 1947, 1955, 1961.*