

Ruling 2002-05

Vermont Department of Taxes

Dated: July 25, 2002

Written By: Judith Henkin, Attorney for the Department

Approved By: Janet Ancel, Commissioner of Taxes

You have requested a ruling as to whether sleigh rides offered at [company] and separately charged to its customers are subject to Vermont sales tax. This ruling is based on the facts contained in your letter of May 13, 2002.

The fees charged for sleigh rides are "amusement charges" under 32 V.S.A. § 9771(4) and are properly subject to sales tax. The term "amusement charges" is defined, in relevant part, as

the admission charge (including any subsidiary, service or cover charge) to, and any charge for the use of any place of recreation or amusement including athletic events and facilities, exhibitions, dramatic and musical performances, motion picture theatres, golf courses and ski areas and including specifically service charges of cable television . . .

32 V.S.A. § 9701 (10).

In turn, "Place of amusement" is defined as "any place where any facilities for entertainment, recreation, amusement or sports are provided." 32 V.S.A. § 9701(11). Though the charge you collect from your customers for sleigh rides allows them to gain access to a recreational activity rather than to a specific facility or environment where the activity is located, Department Regulation § 226-9 makes clear that amusement charges include the fees charged for access to games, rides, and other recreational equipment and activities:

"Amusement charges" include by way of illustration but not of limitation the receipts from tickets, admission or charges incident to: . . . pleasure rides in airplanes and power or speed boats; pleasure rides of all kinds commonly conducted at amusement parks, fairs, circuses, carnivals and street festivals; shooting galleries, striking machines, can racks, strength or skill testing machines at fairs, circuses or carnivals; golf, billiards, bowling; golf driving range or practice green or swimming pool; horseback riding; and trap and skeet shooting. . . .

Regulation § 226-9 (Effective 05/69).

Thus, similar to other pleasure rides, the charge paid by customers for access to the recreational activity – here, sleigh rides – is properly taxable under Vermont's sales and use statutes as an amusement charge.

This ruling is issued solely to your business and is limited to the facts presented as affected by current statutes and regulations. Other taxpayers may refer to this ruling to determine the Department's general approach, but the Department will not be bound by

this ruling in the case of any other taxpayer or in the case of any change in the relevant statute or regulations.

Section 808 of Title 3 provides that this ruling will have the same status as an agency decision or an order in a contested case. You have the right to appeal this ruling within thirty days.