

## *Ruling 97-05*

Vermont Department of Taxes

Date: August 7, 1997

Written By: George H. Phillips, Tax Policy Analyst

Approved By: Edward W. Haase, Commissioner of Taxes

You asked for a ruling determining the sales tax status of combustible firelogs, such as Duraflame, and firestarters, such as Duraflame firestarters. This ruling relies on information contained in your letter of June 26, 1997. The firestarters are smaller versions of the Duraflame log, and burn for only approximately 30 minutes. They act as kindling when used with natural firewood.

Vermont law specifically exempts domestic fuel. "Sales of electricity, oil, gas and other fuels used in a residence for all domestic use including heating" are exempt. "The Commissioner shall by rule determine that portion of the sales attributable to domestic use where fuels are used for purposes in addition to domestic use" are exempt. 32 V.S.A. § 9741(26).

Regulation 1.9741(26) defines fuel, residence and domestic use as follows:

"Fuels" shall include electricity, oil, kerosene, natural gas, propane, wood, coal and any similar product.

"Residence" shall mean any dwelling, apartment, mobile home or other place which is normally used as a living place, and may be either a primary or secondary residence.

"Residence" shall not include motels, hotels, inns, nursing homes, tourist homes, or the like.

"Domestic use" includes heating of space or water, lighting, air conditioning, and the operation of appliances in a residence.

The normal use of combustible firelogs and fire starters is for heating space or for providing light. The normal use is in a primary or secondary residence and the product is similar to wood. A vendor may assume that these items will be used in a manner which is exempt under 32 V.S.A. § 9741(26) when purchased by individual consumers. The vendor should collect the sales tax on sales to businesses.

This ruling is issued solely to your firm 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.