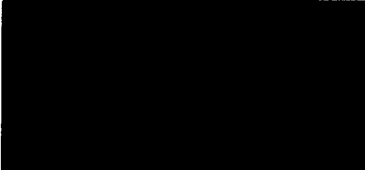




State of Vermont  
Department of Taxes  
133 State Street  
Montpelier, VT 05633-1401

Agency of Administration



November 29, 2011



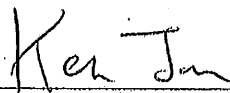
**Formal Ruling #2011-15**

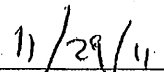
You requested a formal ruling as to the applicability of the Vermont sales tax on martial arts lessons. Your request is on behalf of the [REDACTED] – “an instructional organization” in the City of [REDACTED].

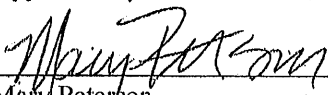
The Vermont Sales Tax is charged on admission to places of amusement (32 V.S.A. §9771(4)) and that includes the admission prices for athletic and fitness facilities (Regulation §1.9771(4) – 1(A)). However, a charge for instruction is exempt from the sales tax as described in Regulation §1.9771(4) – 1(E).


In your request and in a follow-up phone call, you stated that the [REDACTED] sole business is to provide instruction. There is no customer charge for admission, no equipment is provided except that used during lessons and the charges to customers are solely for attendance at martial arts classes led by an instructor. Those charges for instruction are not subject to the Vermont Sales and Use Tax.

This ruling is issued solely for the use of the [REDACTED] and is limited to the facts presented as affected by current statutes and regulations. 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 statutes or regulations.

  
\_\_\_\_\_  
Kenneth Jones  
Policy Analyst

  
\_\_\_\_\_  
Date

Approved By:  
  
\_\_\_\_\_  
Mary Peterson  
Commissioner

  
\_\_\_\_\_  
Date

