

Student Organization Financial Services
Admission Sales Tax Determination - To be completed by RSO (Contact SOFS Manager if Questions 472-2154)

Organization Name: _____

SOFS Account Number: _____

Name of Event: _____

Location of Event: _____

Date of Event: _____

Nebraska Sales Tax Regulation - 044.01 - The term "admission", as used herein, means the right or privilege to have access to or use a place or location where amusement, entertainment or recreation is provided. **The gross receipts from the sale of admissions, including surcharges, are subject to sales tax.** This includes season or subscription tickets for specific occasions or for multiple occasions, either limited or unlimited during a period of time.

Nebraska Sales Tax Regulation - 044.03 - The tax may be included in the total admission price. If the tax is included in the total admission price, a statement must appear on the ticket to the effect that the sales tax is included in such price unless the price is separately stated on a sign posted in a conspicuous place where the admissions are sold.

Nebraska Sales Tax Regulation - 090.06 - When a nonprofit organization charges for a fund raising event that includes either food or entertainment, recreation, or amusement, and the charge is combined with the solicitation of a contribution, the portion of the amount charged representing the fair market price of what is received is a retail sale. The organization shall determine the amount properly attributable to the fair market value in advance and shall clearly indicate same on any ticket, receipt or other evidence issued in connection with the payment. If the charge for fair market value and the contribution amount are not separately stated, the total charge is taxable.

Nebraska Sales Tax Regulation - 090.06A - If there is no fair market value determined by the organization, and there is more than one ticket price, and all purchasers receive substantially the same benefits, the price of the lowest price ticket shall be presumed to be the fair market value of all tickets sold.

Nebraska Sales Tax Regulation - 044.04 - The amount of tax on admissions is calculated at the rate in effect on the date of the sale at the place where the admission will be granted.

DETERMINE TAXABLE AMOUNT OF ADMISSION

Is the organization's intent to breakeven on this event?

Yes - the total admission price is taxable (SOFS Office will deduct sales tax from the deposit of admission receipts)

Steps to be taken to ensure the proper collection of sales tax:

- * Vendors providing food/catering at the event should be given a resale certificate. A completed certificate can be picked up at the SOFS Office. Please note that purchases of items to be consumed by the student organization, such as decorations, disposable and non-disposable table-settings, napkins, prizes, etc.; for the event cannot be purchased tax free since they are being consumed by the student organization and not the persons purchasing the admission.
- * The sales tax on the admission should be included in the price of the admission. Also, as per regulation 044.03, a statement must appear on the ticket or in a conspicuous place stating that tax is included in the price of the admission.
- * On SOFS Deposit Form show all receipts from these admissions as taxable admissions.

No - (Fundraiser) the fair market value of what is received by the person attending the event is the taxable portion of the admission.

The following calculation is provided to assist in documenting and calculating the taxable amount (fair market value) of the admission. It is the student organization's responsibility to properly determine the taxable amount of an admission. The organization is accountable for any tax deficiencies on its deposits.

* Calculate the Total Estimated Revenue from Admissions for this Event:

Cost of one Admission (excluding tax) (1) _____

Estimated Number of Attendees (2) _____

Total Estimated Revenue from Admissions (Line 1 X Line 2) (3) _____

* Calculate Total Estimated Expenses to Hold the Event:

Food (4) _____

Room Rental (4) _____

Entertainment (4) _____

Other (List Items Purchased): _____ (4) _____

_____ (4) _____

_____ (4) _____

Total Estimated Expenses (Total Lines 4) (5) _____

Estimated Income (Line 3 - Line 5) (6) _____

* Calculate Donation and Taxable Portion of Admission:

Estimated Number of Attendees (From Line 2) (7) _____

Portion of Admission that is a **Donation** (Line 6 / Line 7) (8) _____

Portion of Admission that is **Taxable** (Line 1 - Line 8) (9) _____ (Fair Market Value Received)

If the organization determines and elects not to charge sales tax on the entire admission, this form must be provided to the SOFS Office at the time of the first deposit of admissions, otherwise, sales tax must be withheld.

The following example was taken from the Nebraska Taxation of Nonprofit Organizations Information Guide:

An organization holds a pancake feed in Lincoln. The amount charged to contributors is \$15. The fair market value of the pancake meal is \$3. The organization indicates on the ticket:

\$	3.00	Pancakes (Fair Market Value Received)
\$	0.20	Nebraska and Lincoln Sales Tax
\$	11.80	Contribution
\$	15.00	Total

When a contribution is included in the ticket price, a breakdown, as shown to the left, should be included on the ticket or a receipt given to the purchaser when the ticket is sold. **PLEASE NOTE** that the word contribution is not to be construed as meaning "Tax Deductible".

TREASURER/PRESIDENT SIGNATURE

PRINT TREASURER/PRESIDENT NAME

