

**New York State Department of Taxation and Finance**  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-A-83(27)S  
Sales Tax  
June 24, 1983

STATE OF NEW YORK  
STATE TAX COMMISSION

ADVISORY OPINION

PETITION NO. S820712A

On July 12, 1982 a Petition for Advisory Opinion was received from Syracuse University, Office of the Comptroller, Skytop Offices, Syracuse, New York 13210.

The issue raised is whether the sales tax imposed under section 1105(f)(1) of the Tax Law is applicable to handling fees collected by Petitioner when processing mail orders for tickets to its football or basketball games.

Petitioner imposes a handling fee of \$1.00 on mail orders for tickets to its home football or basketball games. The handling fee is assessed only on mail orders for individual game tickets. The handling fee is separately noted on ticket order forms. The handling fee covers the cost of postage connected with mail orders, as well as Petitioner's cost in processing such orders, and is paid when the ticket order is placed. The fee is \$1.00 for each order, irrespective of the number of tickets ordered.

Section 1105(f)(1) of the Tax Law imposes a sales tax on admission charges "to or for the use of any place of amusement in the state," with certain exceptions not germane to the present matter. Section 1101(d)(2) of the Tax Law defines the term "admission charge", as "The amount paid for admission, including any service charge and any charge for entertainment or amusement or for the use of facilities thereof."

Section 1105(f)(1) of the Tax Law imposes a tax on "any admission charge," with certain exclusion not pertinent here. The term admission charge is defined, in section 1101(d)(2) of the Tax Law as "the amount paid for admission, including any service charge and any charge for entertainment or amusement or for the use of facilities therefor." Within this context the phrase "the amount paid for admission" means just that: viz., the amount paid by a patron for a ticket or right of admission. In the present matter the amount paid is equal to the face value of the tickets plus one dollar. The fact that the additional dollar is denominated a handling charge is of no moment. It is significant that in defining the term "receipt," for purposes of the sales tax on receipts from the retail sale of tangible personal property, the Tax Law provides that such term means the "sale price of any property . . . without any deduction for expenses . . . and excluding the cost of transportation of tangible personal property sold at retail where such cost is separately stated in the written contract, if any, and on the bill rendered to the purchaser." That is, the taxable receipt includes not only the list price of the article of property but also handling charges and, except where certain formal

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requirements are met, transportation charges. No such exclusion for transportation charges is contained in the definition of admission charges. In accordance with the foregoing, then, it is concluded that Petitioner's receipts denominated handling charges, as described above, are subject to tax under section 1105(f)(1) of the Tax Law.

DATED: June 8, 1983

s/FRANK J. PUCCIA  
Director  
Technical Services Bureau