

**Charges for Admission to a Place of Amusement
and for the Use of Amusement Rides**

The purpose of this memorandum is to clarify the Tax Department's policy, as expressed previously in TSB-M-87(15)S, on the application of New York State and local sales taxes to charges made for admission to a place of amusement (for example, an amusement park) and charges made for the use of amusement rides.

A charge solely for admission to an amusement park (an admission-only ticket) is subject to sales tax. A charge solely for the use of amusement rides is not subject to sales tax.

The full price of a ticket that entitles the customer both to admission to an amusement park and to the use of amusement rides at the park (pay-one-price ticket) is subject to sales tax, unless **all** of the following apportioning rules are met:

- (i) at all times, the place of amusement sells both a pay-one-price ticket and an admission-only ticket, each of which shows on its face the charge for the ticket;
- (ii) the pay-one-price ticket also separately states on its face the portion of the charge allocated for the use of the rides and the portion of the charge allocated to admission;
- (iii) the admission-only ticket does not allow the customer use of the rides; and
- (iv) the admission charge shown on the pay-one-price ticket is the same as the charge shown on the admission-only ticket.

If all of the above are complied with, then the portion of such a pay-one-price ticket which separately states the charge for use of the rides is not subject to sales tax, while the remainder of the pay-one-price ticket is subject to sales tax.

Effective for sales of tickets made on or after December 1, 2003, criterion (i), above, **will be satisfied only** if **both** of the following conditions are met at any time that tickets are offered for sale: (1) a customer can readily purchase either an admission-only ticket or a pay-one-price ticket, and (2) the availability of an admission-only ticket is clearly communicated to customers. The availability of an admission-only ticket will be considered clearly communicated to customers only if the availability of, and charge for, such a ticket are conspicuously displayed: at every entrance to the amusement park (i.e., all admission gates and other points of entry by the public); on the amusement park's Web site; and in all advertisements, on all signs, and in all brochures, and the like, that contain information about admission policies and charges.

Examples

Example 1. An amusement park sells only a pay-one-price ticket that includes the charge for admission to the park and the charge for use of the rides within the park. The full ticket price is subject to sales tax.

Example 2. An amusement park sells (1) a \$10.00 admission-only ticket which limits the customer to admission to the park; the customer is not entitled to use any of the amusement rides unless he or she purchases a pay-one-price ticket. The park also sells (2) a \$25.00 pay-one-price ticket, which separately states on its face a \$15.00 charge for the use of the amusement rides and a \$10.00 charge for admission.

The availability of both types of tickets and the charges for each type are conspicuously displayed: at every entrance to the park; on the amusement park's Web sites; and in all advertisements, and on all signs, and in all brochures, which contain information about admission policies and charges. Members of the public can readily purchase either the admission-only ticket or the pay-one-price ticket.

Since all of the conditions for apportioning the charge for the pay-one-price ticket have been met, the separately stated charge on the pay-one-price ticket attributable to the use of the rides (\$15.00) is not subject to sales tax. The separately stated admission charge (\$10.00) on the pay-one-price ticket is subject to sales tax.

Example 3. The facts are the same as in *Example 2*, except the availability of both types of tickets and the charges for each are **not** conspicuously displayed: at every entrance to the park; on the amusement park's Web sites; and in all advertisements, and on all signs, and in all brochures, which contain information about admission policies and charges.

The entire charge for the pay-one-price ticket is subject to sales tax.