



TAX REPORTING REQUIREMENTS FOR ENTERTAINMENT ESTABLISHMENTS WITH ADMISSIONS

ADMISSION TAX

Entertainment establishments that charge a fee, cover charge or ticket price for admission are required to pay a 5% admission tax. Admissions tax is paid by the customer, to be held in trust by the person/promoter collecting the admission charges and paid to the city pursuant to TMC 6A.20.060. Ultimately, you are responsible for payment to the city even if the admission tax is not collected.

EXEMPT FROM ADMISSION TAX?

Prior to your event, call Tax & License at 253-591-5252 to find out if you qualify pursuant to TMC 6A.20.030. Exempt organizations such as non-profits must be licensed and recognized by the city.

TICKET INFORMATION

Whenever a charge is made for admission to any place, a serial number or reserve seat ticket shall be furnished to the person paying such charge unless written approval has been obtained from Tax & License to use a turnstile or other counting device which will accurately count the number of paid admissions. A sign must be posted in a conspicuous place at the entrance or ticket office, which breaks down the admission charge as follows:

Established Price	\$
Service Charge (if any)	\$
City Admission Tax	\$
Total Price of Ticket	\$

HOW TO CALCULATE ADMISSIONS TAX:

- Deduct sales tax from gross ticket sales and admission charges.
- Divide gross ticket sales and/or admission charges, excluding sales tax, by 1.05 and multiply by 5%.

BUSINESS & OCCUPATION (B&O) TAX CALCULATION

Entertainment establishments that engage in business within the City of Tacoma are subject to the Business & Occupation (B&O) tax pursuant to TMC 6A.30. Revenue from the B&O tax is deposited into the City's General Fund which funds basic City services, such as police, fire, libraries, and streets.

HOW TO CALCULATE B&O TAX

Gross Receipts:

- **B&O Tax** is due if worldwide gross receipts exceed \$250,000 in a calendar year.

Ticket Sales

- Enter gross ticket sales under the Retail Service tax classification.
- Report the Admission Tax paid under the deduction type 'Other.'
- Gross ticket sales less Admission tax multiplied by .4% equals B&O tax due.

Concessions, programs, novelties, T-shirts, etc.

- Enter gross retail sales under the Retailing tax classification.
- Report allowable deductions.
- Gross retail sales less allowable deductions multiplied by .153% equals B&O tax due

Questions?

Visit tacoma.gov/taxandlicense or call 253-591-5252 to speak with an auditor.