



This publication provides general information and is not meant to be a substitute for tax laws or regulations.

Organizations conducting fairs and festivals are typically organized tax-exempt non-profits. However, a federal tax exemption issued by the IRS applies to income tax only. Sales of tangible personal property and services are subject to state and municipal sales tax. Generally, tax can be included as part of a ticket price, entry fee, or other type of sale *as long as the inclusion is posted or noted in some way at the point of sale.*

Subject to Sales and Service Taxes

Admission Charges

- Special events held in conjunction with a fair that requires a separate admission charge, such as concerts, exhibits, or sports events, are subject to sales and service tax.

Entry Fees

- All competitive contests or exhibits that require a fee to enter or participate are subject to tax.

Rental of Space

- Temporary or short-term rental of space, **meaning a rental for 30 days or less**, to a vendor or exhibitor requires collection of sales and service taxes on the rental price.
- Long-term rental of space at a fairground is considered a real estate transaction not subject to sales or service tax.

Sales of Food And Merchandise

- Food and soft drinks sold for immediate consumption are subject to sales tax. See TSD 420 for more information.
- Merchandise sales of any kind are subject to sales tax.

Sales of livestock are exempt, including through public sales sponsored by breeders or registry associations, or livestock auctions.

For more information, you can:

- **Call** a Taxpayer Services Representative at (304)558-3333 or toll-free at (800) 982-8297
- **Email** taxhelp@wv.gov
- **Go Online** to tax.wv.gov

Purchases by Fair Organizers

Items purchased for use in the fair's business activities, such as office supplies, cleaning products, or maintenance equipment, are subject to sales tax when purchased.

Tangible personal property purchased to be resold is exempt from the sales tax at the original time of purchase because the sales tax will be collected when the property is resold.

Property Tax

Generally, property owned by a tax-exempt organization is only exempt from property taxes if it is used exclusively for a charitable or public service purpose. Real property that is leased out to others, in whole or in part, for revenue-generating activities is subject to ad valorem property taxes. This applies even if all the net proceeds from the activity are dedicated to the exempt purposes of the exempt organization.