



Sales and Use Tax - Location of Sale. ADMISSIONS AND CHARGES FOR FOOD AND DRINK COLLECTED ON THE NEBRASKA SIDE OF THE MISSOURI RIVER ARE SUBJECT TO THE NEBRASKA SALES AND USE TAX.

Advice has been requested concerning the applicable Nebraska sales and use tax to be charged on riverboat cruises on the Missouri River. The taxpayer collects an admission from passengers boarding in Nebraska and meals and drinks are provided while the boat is cruising on the Missouri River.

Boarding charges collected for a riverboat cruise are admissions as defined in Nebraska Sales and Use Tax Regulation 1-44. All such admissions collected in Nebraska are subject to Nebraska sales and use tax.

Charges for food and drink purchased on the Nebraska side of the boundary between Iowa and Nebraska are subject to Nebraska sales and use tax. The Nebraska-Iowa border is the middle of the main channel of the Missouri River (Iowa-Nebraska Boundary Compact, Laws 1943, C. 130 p. 434). If there is no way of determining which sales are made in Nebraska, an approximation should be made with a percentage applied to all sales based on the amount of time the boat is in Nebraska waters. This approximation will determine the amount of the gross receipts from food and drink which are subject to Nebraska sales and use tax.

If food and drink are included in the admission charge, the entire amount is subject to Nebraska sales and use tax.

APPROVED:



William E. Peters
State Tax Commissioner

July 21, 1977