

ARIZONA DEPARTMENT OF REVENUE

ARIZONA TRANSACTION PRIVILEGE TAX RULING

TPR 93-17

(Note: On 9/2/2020, the statute references were updated to their new numbers. See the footnotes for more details. No substantive changes were made.)

This substantive policy statement is advisory only. A substantive policy statement does not include internal procedural documents that only affect the internal procedures of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules made in accordance with the Arizona administrative procedure act. If you believe that this substantive policy statement does impose additional requirements or penalties on regulated parties you may petition the agency under Arizona Revised Statutes § 41-1033 for a review of the statement.

This ruling supersedes and rescinds Arizona Sales Tax Ruling No. 4-11-84

ISSUE:

The exemption under the restaurant classification for sales of food or drink by veterans organizations.

APPLICABLE LAW:

Arizona Revised Statutes (A.R.S.) § 42-5074(A)¹ provides that the restaurant classification is comprised of the business of operating restaurants, dining cars, dining rooms, lunchrooms, lunch stands, soda fountains, catering services or similar establishments where articles of food or drink are sold for consumption on or off the premises.

¹ This ruling originally cited A.R.S. § 42-1310.14.A which was renumbered as A.R.S. § 42-5074(A).

A.R.S. § 42-5074(B)(2)² provides an exemption from tax under the restaurant classification for sales by a congressionally chartered veterans organization of food or drink prepared for consumption on the premises leased, owned or maintained by the organization.

RULING:

Sales of food or drink by a congressionally chartered veterans organization prepared for consumption on the organization's premises are not subject to tax under the restaurant classification.

The following organizations currently qualify for the exemption under

A.R.S. § 42-5074(B)(2)³:

American Ex-Prisoners of War, Inc.

American Legion

American Red Cross

American Veterans Committee

AMVETS

Blinded Veterans Association

Catholic War Veterans of the U.S.A.

Congressional Medal of Honor Society of the U.S.A.

Disabled American Veterans

² This ruling originally cited A.R.S. § 42-1310.14.B.2 which was renumbered as A.R.S. § 42-5074(B)(2).

³ See Footnote number 2.

Gold Star Wives of America, Inc.

Jewish War Veterans of the United States

Legion of Valor of the United States of America, Inc.

Marine Corps League

Military Order of the Purple Heart

Non Commissioned Officers Association of the U.S.A.

Paralyzed Veterans of America, Inc.

Polish Legion of American Veterans, U.S.A.

United Spanish War Veterans of the United States

Veterans of Foreign Wars of the United States

Veterans of World War I of the U.S.A., Inc.

Vietnam Veterans of America

It should be noted that an organization listed above may cease to *qualify for the exemption, and other organizations may subsequently qualify.*

Harold Scott, Acting

Director Signed April 6, 1993

Explanatory Notice

The purpose of a tax ruling is to provide interpretive guidance to the general public and to department personnel. A tax ruling is intended to encompass issues of law which are not adequately covered in statute, case law or administrative rules. A tax ruling is a position statement which

provides interpretation, details or supplementary information concerning the application of the law. **Relevant statute, case law, or administrative rules, as well as a subsequent ruling, may modify or negate any or all of the provisions of any tax ruling.** See GTP 92-1 for more detailed information regarding documents issued by the Department of Revenue.