



CITY OF PEORIA PRIVILEGE (SALES) TAX GUIDELINES: AMUSEMENTS

You Owe Tax on Amusements if:

You are operating an amusement business within the city.

Examples of Taxable Amusement Activities Include:

- ◆Exhibitions, movies, operas, theaters, concerts
- ◆Health spas, gyms, fitness centers
- ◆Shows of any type or nature, public dances, dance halls
- ◆Carnivals, circuses, fairs, amusement parks, animal rides, menageries
- ◆Bowling, billiards, skating
- ◆Golf, tennis, batting/driving ranges, shooting ranges
- ◆Coin-operated amusement machines
- ◆Sporting events, races, contests, games
- ◆Any business charging admission for exhibition, amusement or entertainment

Tax Rate on Amusements

The City tax rate for Amusements within Peoria is 2.8% of the taxable income. The combined rate (including State & County taxes) is 9.1%.

Collection of Tax

You may choose to charge the tax separately on each sale or include Privilege (Sales) Tax in your price. If you over charge any tax to your customers, you must remit the excess tax to the city. If you include tax in your price, you can use factoring to calculate the tax included in your gross sales. See our brochure on Factored Tax.

Special Situations

► Coin-Operated Amusement Machines

Gross income from electronic games, pinball, and other coin-operated machines is taxable. No deduction from gross income is allowed for commissions or equipment rental cost. The person responsible for paying the tax is the one who has direct control over the funds generated by the machines. Commissions received for the placement of these machines is taxable as *licensing for use of real property*.

► Federally Exempt Organizations and Proprietary Clubs

Amusement activities directly conducted by these organizations are generally exempt from tax. Amusement activities, which are conducted on behalf of these organizations by outside franchisees and concessionaires, *are not* exempt from tax.

► Private Clubs

Fees for recreational facilities open to the public, such as golf courses, swimming pools, and tennis courts, are taxable.

► **Balloon Rides, Bus/Jeep Tours, Boat Rides, Hay Rides**

These activities are taxable if the origination point is in the City of Peoria.

► **Programs/Souvenirs**

Gross income from the sale of programs and souvenirs is taxable as *retail sales*.

► **Food and Beverage Sales**

Income from the sale of prepared food and beverages at or during an amusement activity is taxable as *restaurant and bar activity*.

► **Rental of Equipment**

Income from the rental of equipment necessary to participate in an amusement activity (i.e. ice skates, bowling shoes) is taxable as *rental of tangible personal property*.

► **Purchase of Amusement Equipment**

The purchase of any machines, equipment, etc. used in an amusement activity is subject to *sales or use tax* at the time of purchase.

Contact Information

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► **This brochure is meant to be a guideline only.** For complete details, refer to the [City of Peoria Tax Code](#) and related regulations. In all cases, the language of the tax code shall prevail.

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