

SALES TAX: Sales of milk and farm products subject to tax.

10-3

September 30, 1935.

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Honorable W. W. Parker, President,
Southeast Missouri State Teachers College,
Cape Girardeau, Missouri.

Dear Mr. Parker:

We wish to acknowledge your letter of September 11
wherein you state as follows:

"I shall very greatly appreciate it if
you will give me an opinion as to
whether or not the farm which the South-
east Missouri State Teachers College
owns and operates is expected to collect
the sales tax on the sale of milk and
other products of the farm.

"I shall appreciate it further, if you
will inform me as to whether or not we
are expected to collect the sales tax
on admissions to athletic contests."

We are enclosing herein copy of an opinion rendered
by this department to Honorable J. R. Davis, Business Manager
of William Jewell College, under date of July 25, wherein we
ruled upon the applicability of the sales tax as it relates
to the activities of William Jewell College.

By the terms of the new act, Section 1, subsection (b),
the term "sale" or "sales" is defined as follows:

"The term 'sale' or 'sales' includes
installment and credit sales, and the
exchange of properties as well as the
sale thereof for money, every closed
transaction constituting a sale, and
means any transfer, exchange or barter,

conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property for valuable consideration and the rendering, furnishing or selling for a valuable consideration any of the substances, things and services hereinafter designated and defined as taxable under the terms of this Act."

Under subsection (c) "business" is defined as follows:

"'Business' includes any activity engaged in by any person, or caused to be engaged in by him, with the object of gain, benefit or advantage, either direct or indirect and the classification of which business is of such character as to be subject to the terms of this Act. The isolated or occasional sale of tangible personal property, service, substance, or thing, by a person not engaged in such business does not constitute engaging in business, within the meaning of this Act."

Assuming that the sale of milk and other farm products by the Southeast Missouri State Teachers College are not occasional sales so as to bring them within the exemption, we are of the opinion that same constitutes the doing of "business" and the "sale" of "tangible personal property" within the meaning of subsections (b) and (c) of Section 1, supra, and that the gross receipts from such sales are subject to the tax.

Your second question is answered by Question IV of the enclosed opinion, which holds that the gross receipts from athletic events are subject to the sales tax.

Yours very truly,

WM. ORR SAWYERS,
Assistant Attorney General.

APPROVED:

JOHN W. HOFFMAN, Jr.,
(Acting) Attorney General.

MW:HR