## Sales and Use Tax (Liquor Sales)

Is the liquor taxable for a fundraising or charitable event if the event includes an open bar?

If the event is being held by a charitable organization with the required federal 501(c)(3) status for the purpose of fundraising and has an "open" bar (liquor at no charge) at the event, then the organization can use their tax exempt number for the purchase of the liquor used for the function. However, if the organization charges attendees an entrance fee to the fundraising event tax would be charged to the organization when purchasing the liquor.