

Minnesota revenue notice number 98-04

Sales and Use Tax - No Occasional Sales at Selling Events

For purposes of determining whether a person is making taxable retail sales, a flea market, fair, craft show, antique show, coin show, stamp show, comic book show, convention exhibit area, or similar selling event is considered to be a place of business. Any person who pays consideration of any kind to sell at such an event is considered to be in business and must collect sales tax on all retail sales of taxable items. Sales at such events cannot be considered occasional sales.

Example 1

A person inherits a train collection. They attend a train show and pay a fee to rent space at the show to sell the collection. The person must collect sales tax on all retail sales at the train show.

Example 2

A person has collected dolls and doll accessories for many years. They decide to attend a doll show to sell some of the collection. They must pay the operator a percentage of all sales as a fee for selling at the show. Sales of the collection are taxable.

Example 3

A person rents space at a flea market to sell items from an estate. They must collect sales tax on all taxable items sold at the flea market. Items such as furniture, books, jewelry, dishes, and appliances, are taxable. Sales of clothing are not taxable.

Example 4

A person rents a space at a craft fair to sell handmade jewelry. In addition to the sales made at the craft fair, orders are taken to make custom pieces for some customers. The custom jewelry is taxable when mailed or delivered to Minnesota customers; if the jewelry is shipped to customers outside Minnesota, no Minnesota tax is due.

Example 5

A church urges members to make craft items to sell at the church bazaar. No fee of any kind is charged to sell at the event. Several members make miscellaneous items to sell at the bazaar. These members did not buy their materials exempt from sales tax, and they do not normally make these, or similar items, to sell. The members selling the miscellaneous items at the bazaar are making occasional sales, and are not required to charge sales tax.

Example 6

A person regularly sells wooden shelves, bookcases, and other items at craft fairs, but occasionally they are also sold from the home. The person is in the business of making retail sales, and must collect sales tax on the sales whether the sale is made at a selling event or elsewhere.

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