

**Answer Key**  
**Sales and Use Tax – Part I**  
**Section G**

1. The answer is Yes or No depending on the situation. In accordance with **Regulation 103 KAR 28:010, Section 3**, swimming pools will be governed by the following rules. If a swimming pool makes a separate charge for which the person charged can only be a spectator, such a charge is subject to sales tax. If however, the charge is for the privilege of using the swimming pool, the tax will not apply.
  
2. The answer is Yes or No depending on the circumstances. In accordance with **Regulation 103 KAR 28:010, Section 3**, skating rinks will be governed by the following rules. If a skating rink makes a separate charge for which the person charged can only be a spectator, the charge is subject to the sales tax. If however, the charge is for the privilege of using the skating rink, the tax will not apply.
  
3. The answer is generally yes. A cover charge is considered to be an admission subject to the sales tax. However, if the cover charge is a minimum charge that may be applied on the purchase of food and drink by the customer, the tax applies to the cover charge only to the extent that the cover charge exceeds the total price for the food and drink purchased by the customer.
  
4. The answer is 6 cents. In accordance with **Regulation 103 KAR 28:010, Section 1**, each admission is a separate sale. Under the bracket system the tax would be 3¢ on each ticket. Even under Streamline the computation results in 2.7¢ rounded to 3¢ on each sale for a total of 6¢.
  
5. No, because the taxes levied under **KRS 138.480** only deal with persons entering the grounds or enclosure of any race track at which a race meeting is being conducted under the jurisdiction of the Kentucky Horse Racing Authority.
  
6. A sale of an admission is the sale of a right to see a display, see or hear a program, witness a sporting event or view a play, movie or other entertainment event.