

Monroe County 1% Food & Beverage Tax

CATS

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INDIANA UNIVERSITY

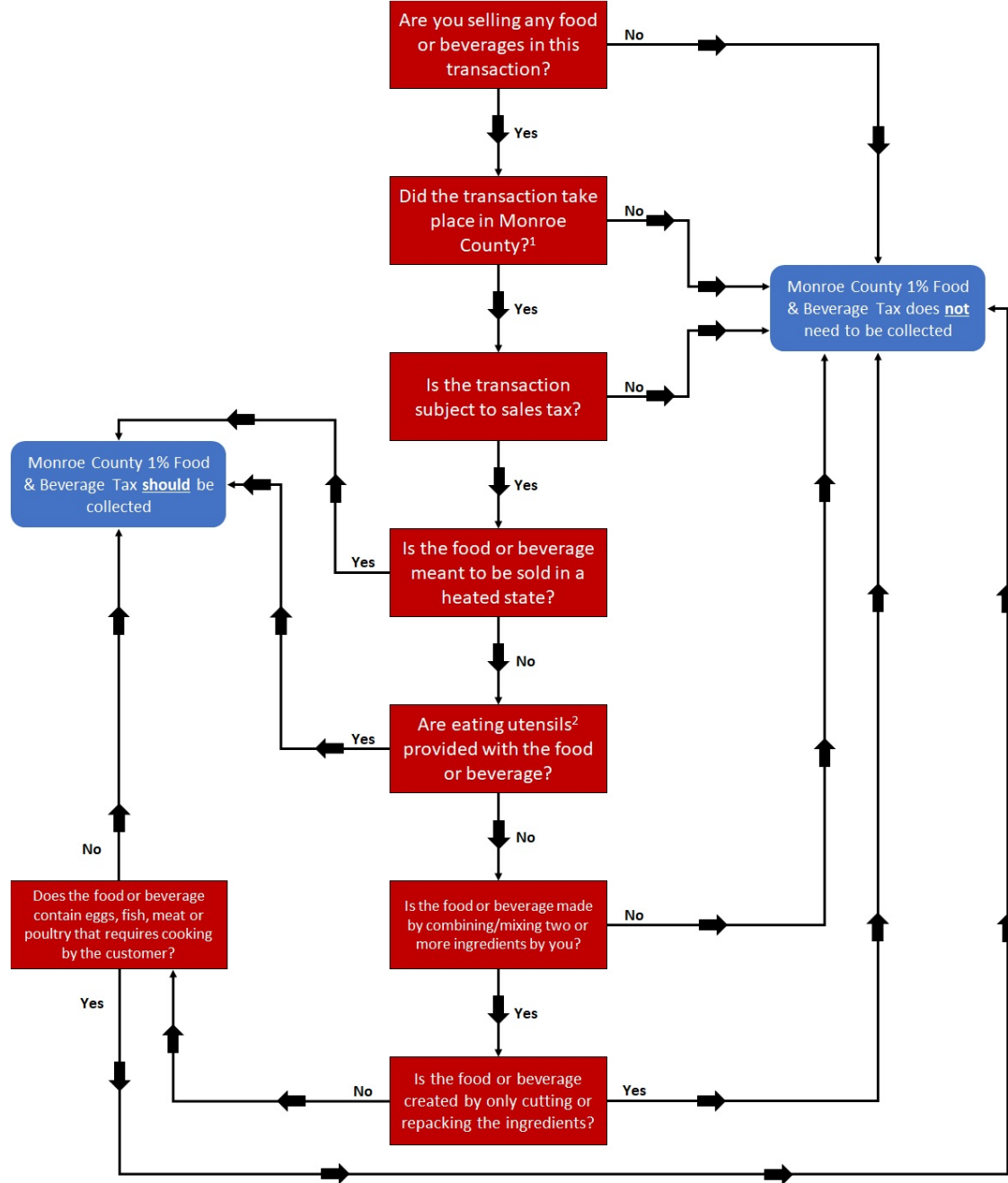
OFFICE OF FINANCIAL MANAGEMENT SERVICES

What is the Food & Beverage Tax?

- 1% tax on prepared food and beverages sold in Monroe County
- 13 counties in Indiana have a food & beverage tax
 - Rates range between 1-2%
- Went into effect February 1st, 2018

What is Prepared Food & Beverage?

- Detailed information - [Commissioner's Directive #30](#)
 - Provided by Indiana Department of Revenue
 - “The food and beverage tax applies to any transaction in which food or beverage is furnished, prepared, or served by a retail merchant for consumption at a location or on equipment provided by the retail merchant in a county or municipality that adopts the tax.”



¹For catering, the transaction location is based off of where the catering services take place.

²Utensils can include the following: plates, knives, forks, spoons, glasses, cups, napkins, straws.

- A container or package used to transport the food is not considered a utensil for these purposes.

How to Remit MCFBT in KFS

- Remit on a different line item from sales tax
- Use the following information:
 - Account: 9612779
 - Sub-Account: MCFBT
 - Object Code: 9015

Example

TO HIDE DETAILS IMPORT LINES

* CHART	SUB-FUND	ORG CD	* ACCOUNT	SUB-ACCOUNT	* OBJECT	SUB-OBJECT	PROJECT	ORG REF ID	* AMOUNT	* REF ORIGIN CODE	* REF NUMBER	LINE DESCRIPTION	ACTIONS
			<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>		0.00	<input type="text" value=""/>	<input type="text" value=""/>		
UA UNIV ADMIN	INTAGY	TAX	<input type="text" value="9612779"/> SALES TAX-INDI...	<input type="text" value="MCFBT"/> MONROE COUN...	<input type="text" value="9015"/> OTHER TAXES P...	<input type="text" value=""/>	<input type="text" value=""/>		10.00	<input type="text" value="01"/>	<input type="text" value="71325581"/>		
* SALES TAX CHART OF ACCOUNTS CODE	* SALES TAX ACCOUNT NUMBER	* GROSS SALES AMOUNT	* TAXABLE SALES AMOUNT	* SALE DATE									
<input type="text" value="BA"/>	<input type="text" value="6731129"/>	<input type="text" value="3,000.00"/>	<input type="text" value="1,000.00"/>	<input type="text" value="06/11/2018"/>									
									TOTAL:	10.00			

Scenarios

1. Would a can of coke purchased on the Bloomington campus be subject to the Monroe County Food & Beverage Tax?
 - No – Please see flowchart
2. Would a fountain drink purchased on the Bloomington campus be subject to Monroe County Food & Beverage Tax?
 - Yes – Please see flowchart

Frequently Asked Questions

- Does this need to be charged to students?
 - Sales of food by IU to an IU enrolled student are exempt from sales tax.
 - Sales exempt from sales tax are also exempt from food & beverage tax.

Frequently Asked Questions Continued

- How should I collect food & beverage tax?
 - Evaluate what items you sell in your store and determine if the food & beverage tax may affect you.
 - Update your collection methods, most likely your point of sale system will need to be programmed.

Frequently Asked Questions Continued

- Should I charge food and beverage tax on _____?
 - Reference flowchart provided by Tax
- If you have any questions after reviewing our flowchart, please reach out to taxpayer@iu.edu.

Contact Information

University Tax Services

- taxpayer@iu.edu
- <https://fms.iu.edu/tax/>

Questions?