

Chapter 03 Mileage, Delivery Charges and Rebilled Expenses

- 100 Income received from travel, mileage or delivery charges must be included in gross proceeds of sales or gross income when incurred in connection with the sale of tangible personal property or in the performance of taxable services by vendors doing business within this State. This includes any charges made by the seller for delivery of property sold to the purchaser even though such amounts are separately stated on the seller's invoice apart from the sales price of the property.
- 101 Purchases from or sales by out-of-state vendors of tangible personal property are subject to use tax on the full purchase price, including freight charges to the point of use within this State.
- 102 Any business which performs a delivery service or which incurs travel expenses recovers this expense through the charge for its goods or services. Separately invoicing the customer with charges representing a recovery of these expenses is in reality an allocation of the selling price to this cost of operation and cannot be excluded from the measure of tax imposed.
- 103 Hotel expenses, meals, supplies, freight and other expenses which are itemized by the seller and rebilled to the customer must be included in gross proceeds of sales or gross income even though separately billed and irrespective of the fact that such goods and services may have borne a retail tax.
- 104 (Reserved)

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