# UPDATED: February 7, 2024

**City of Bethlehem Amusement Tax procedures and general information**

The City of Bethlehem established an ordinance, effective February 5, 2013, for collection of amusement tax. The tax is applied to sales of amusement tickets with an admission price over $10.00. The tax rate is 5%, up to a maximum of 2.00 per admission effective February 1, 2015.

# What is Taxable?

* Tax is charged on admission price for attending or engaging in any amusement in the City of Bethlehem.

**Amusement** is defined as any manner or form of entertainment, including, but not limited to, circuses, shows, concerts, lectures, sports events, amusement parks, athletic contests, auto races, and any other form of diversion, sport, pastime or recreation, for which admission is charged or paid.

# Calculating the Tax

* The tax is imposed at the rate of 5% of the price of admission to each and every amusement with the following exceptions:
  + Tax shall not be charged on any admissions where the maximum venue capacity is 200 or less.
  + Tax shall not be charged where the admission price is $10.00 or less.
  + Maximum tax imposed on any single admission shall not exceed $2.00

# Specifics, examples under certain circumstances

* Subscriptions – for multiple events, allocate tax across the events.
* Multiple day events – sales should be based on the gross ticket price of the multiple event ticket.
* Discounts/group rates – the tax shall be based upon the discounted admission price; however, the tax is generated when any gross sales ticket price is over $10.00.
* Examples:

There are 100 tickets being sold at $45, but 30 of them get a discounted rate of $9, the tax is calculated as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | #  tickets | Gross  price | Discounted  Price | Taxable  sales \* | Tax  rate | Tax |
|  | 70 | $45 | n/a | $2,800 | 5% | $140.00 |
|  | 30 | $35 | $9 | 270 | 5% | 13.50 |
| Total | 100 |  |  | $3,070 |  | $153.50 |

\*$45 X 5% is above the maximum tax of $2.00, so the gross taxable sales were reduced to

$40/ticket. The 30 discounted tickets were still charged tax because the undiscounted ticket

price was over $10.00; however, the tax was calculated on the discounted ticket price. The tax is generated from the sales price of the ticket prior to discount.

* Items **not** taxable:
* Free passes for parents/students on opposing athletic teams.
* Reunions, tailgates and athletic banquets where the attendee is participating in the activity.
* Public school athletic events
* Athletic event entry fees
* Parking and service fees
* Other items to note:
* Pricing differences between “Adult”, “Child”, and “Senior” ticket prices are not considered ticket discounts.
* NCAA and private school event tickets are taxable.
* Charitable contributions that are separately itemized but remitted with ticket sales are not taxable.

# Filing the tax

* On a monthly basis, sales and amusement tax collected must be

reported to Brandon Maximowicz, Tax Analyst in the Controller’s office by the 10th of the month following the prior month end so he can file the monthly tax return and taxes. Submit information on the following spreadsheet.

[City\_of\_Bethlehem\_monthly\_amusement\_tax\_reporting form.xlsx](file:///C:\Users\Deb310\Downloads\City_of_Bethlehem_monthly_amusement_tax_reporting%20form.xlsx)

* Any questions related to this tax should be addressed to the Assistant Controller in the Controller’s Office: Email: [deb310@lehigh.edu](mailto:deb310@lehigh.edu)

# Permits

* Annually, the Controller’s office files a permanent permit on behalf of the entire University.
* When external facility rentals are involved, whoever sells the tickets is responsible for filing their permit and remitting the taxes collected.