



## Sales Tax Division *Tax Compliance Guide*

### ***PERSONAL CHEF SERVICES***

Personal chefs are considered independent contractors that prepare food in private homes or venues for social events such as dinner parties, cocktail parties, engagement parties, weddings, and receptions.

Personal chefs must collect sales tax at the rate imposed at the location where the prepared food is received. The Town has provided a tax rate look-up tool on their website that enables you to find the appropriate tax rate by entering the location's address. Food purchases made by the business should be purchased at wholesale and exempt from tax.

The total amount of charges from the chef are subject to tax. The service of preparing the food is a fabrication labor and is not made into a non-taxable service by simply itemizing the service out on the invoice.

#### **EXAMPLES**

1. Maggie the Mobile Chef purchases food at the grocery store for a party that she is preparing food for that evening. On the invoice, she charges the customer for "food reimbursement" showing the amount that she paid for the food earlier that day. She also charges for "Personal Chef Services." Both items are taxable to her customer on the invoice.

Breckenridge Town Code 3-1

THE ABOVE INFORMATION IS A SUMMARY IN LAYMEN'S TERMS OF RELEVANT BRECKENRIDGE TAX LAW FOR THIS TOPIC, INDUSTRY, OR BUSINESS SEGMENT. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE BRECKENRIDGE TOWN CODE AND APPLICABLE RULES AND REGULATIONS. THIS GUIDE DOES NOT CONSTITUTE A TOWN TAX POLICY.

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