

## **Local Option Tax Sales & Entertainment**

City of Rutland voted to levy the following 1% local option taxes in addition to Vermont State business taxes, in order to raise additional revenue. Rutland City has a local option tax on Sales & Entertainment

A transaction is subject to local option tax if it is subject to the Vermont Sales and Entertainment Tax. Local option tax is “destination-based.” In other words, the tax is collected based on the location where the buyer takes possession of the item or where it is delivered.

All vendors, including out of state vendors, authorized to collect taxes in Vermont are required to collect and remit to the Vermont Department of Taxes all applicable taxes. For more information, visit the State of Vermont website: <https://tax.vermont.gov/business>

### **Local Option Sales and Entertainment Tax**

6% state sales tax + 1% local option tax = 7% total tax

#### **Local Option Sales Tax and the Entertainment Tax Payment**

Although local option tax is levied by the City of Rutland, the Vermont Department of Taxes collects and administers the tax to The City of Rutland for the local option sales and entertainment tax. Local option tax is calculated at 1% of the taxable (gross) sales. The vendor remits the 1% local option taxes to the Vermont Department Taxes along with the state taxes. The 1% for the city must be submitted under the local option tax for **Rutland City**. Please be aware that Rutland Town is a different municipality.