INTERPRETATION/DEFINITION REQUEST

Complete each section

1. Name(s) of Requestor(s): James Tilton

2. Contact Person: Name: James Tilton
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   Hickory, NC 28602
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3. Agreement Section(s) involved: Rule 330.1.B.1 & Appendix C part II “Candy”

4. Statement of Background Facts (be succinct): Lucky Charms contains oat pieces and marshmallows. The oat pieces contain flour while the marshmallows do not. The oat pieces and marshmallows are sold mixed together.


5. Issue: Should Lucky Charms be taxed as candy?

6. Proposed Interpretation: 1. Although, the oat pieces contain sweeteners, they are not candy because they contain flour. 2. The marshmallows are candy. 3. Because the marshmallows and oat pieces are “distinct and identifiable” and are bundled together, Lucky Charms should be taxed as candy.

7. Is expedited consideration requested? X No ___Yes If yes, please explain why expedited review is requested

8. Date this Request is submitted: Monday July 27th, 2009 (07/27/09)

The Compliance Review and Interpretations Committee meets by teleconference at 10:00 am central every other Thursday. Their schedule can be found at: www.streamlinedsalestax.org under the meeting calendar.

Submit to: Scott Peterson, Executive Director
Streamlined Sales Tax Governing Board
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F0007 Interpretation Definition Request (4/10/08)