

**CHAPTER 54. PURCHASE PRICE**

- Sec.  
54.1. Delivery charges.  
54.2. Sign painters.

**§ 54.1. Delivery charges.**

(a) Effective March 4, 1971, separately stated delivery charges billed by the vendor made in conjunction with a taxable transaction are subject to tax. For example, delivery charges for transit-mixed concrete are subject to tax even if such charges are stated separately from the charge made for the concrete. Similarly, if a vendor effects delivery of a taxable item to a Pennsylvania vendee through the mails, charges by the vendor for the cost of the taxable item and the postage fee are subject to tax, even if these charges are stated separately on the invoice.

(b) Delivery charges made in conjunction with nontaxable transactions are not subject to tax. Therefore, delivery charges of items purchased for resale or items excluded from the tax are not subject to tax.

(c) Charges for delivery made by someone other than the vendor and billed by someone other than the vendor are not subject to tax.

**Notes of Decision***Electricity Services Taxable*

Transmission, distribution, and transition services associated with taxpayer's purchase of electricity was not exempt from Pennsylvania sales tax even though taxpayer purchased electricity from third party generator which was delivered by a separate utility; utility that delivered electricity to taxpayer was not a mere delivery carrier, but with electricity generator, were together the "vendor" and therefore the services were not separate and exempt from sales tax. *Spectrum Arena L.P. v. Com.*, 983 A.2d 641, 650-651 (Pa. 2009).

**§ 54.2. Sign painters.**

Persons engaged in the business of painting or otherwise fabricating signs are making sales at retail when they sell such signs to the ultimate user thereof, and shall collect tax with respect to such sales. Labor or service charges for painting of such signs shall be considered as part of the purchase price thereof for tax purposes.

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