



Sales and Use Tax--Containers. DRY ICE PLACED WITH OTHER PACKING MATERIALS INTO AN INSULATED COOLER CONTAINING MEAT PRODUCTS SOLD BY THE TAXPAYER TO OTHER PERSONS IS DEEMED TO BE AN INTEGRAL PART OF A NONRETURNABLE CONTAINER UNDER SALES AND USE TAX REGULATION 1-043.

Advice has been requested whether dry ice included as an integral part of packaging, used in the transportation of meat products, is subject to sales and use tax. The facts indicate that following purchase, the dry ice is wrapped in 20-pound units and placed together with packing materials into disposable insulated coolers containing individual cuts of meat which are sold by the taxpayer. The taxpayer makes no other use of the dry ice. While in transit, dry ice wrapped in this manner has a life of between seven and ten days.

The dry ice and other packing materials described above are considered an integral part of a nonreturnable container under Sales and Use Tax Regulation 1-043.04. Tax would not apply to purchases of the dry ice and other packing materials, so long as they are placed by the purchaser together with the individual cuts of meat into insulated containers and then sold as a unit to other persons.

APPROVED:

A handwritten signature in cursive script that reads 'John M. Boehm'.

John M. Boehm  
State Tax Commissioner

October 7th, 1988