

**Rule 2007-3: Summary of Special Rules for Sales of
Food and Food Ingredients and Prepared Food**

Act 110 of the 86th Session of 2007, states that effective July 1, 2007, the gross receipts or gross proceeds derived from the sale of food and food ingredients will be taxed at a reduced state sales and use tax rate of three percent (3%). The gross receipts or gross proceeds derived from the sale of prepared food, alcoholic beverages, dietary supplements, and tobacco are subject to the full state sales and use tax rate of six percent (6%). This rule implements the provisions of Act 110.