This QRC outlines when the University is charged or pays sales tax and when it is exempt. It also describes when Purdue collects sales tax.

**Exempt – Is not subject to tax charges.**

**Non-exempt – Is subject to tax charges.**

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| **Sales Tax – Exempt Purchases by the University (*Sales tax should not be paid*)** |
| Used primarily for governmental function |
| Resale and Fundraising |
| Recruitment of Students and Faculty |
| When using an exemption certificate, make certain that all purchases are made in the name of Purdue University, are consistent with Purdue’s exempt purposes, and are made only with University funds**.**Out-of-State Purchase Exemption Certificates for the following states can be found on the [Tax Exemption Forms](http://www.purdue.edu/business/mas/orgtax/taxemptforms.html) page of the Organizational Tax website. | Alaska – None. No State Sales Tax, but local sales tax in Juneau may apply. |
| Colorado – Use Indiana certificate [ST-105](http://www.purdue.edu/business/mas/pdf/ST105_GenlSalesTaxExemptCert_49065%20R4%2008-2005.pdf) |
| Delaware – None. No State Sales Tax |
| [Florida](http://www.purdue.edu/business/mas/orgtax/pdf/FloridaTax_Certificate.pdf) |
| [Idaho](http://www.purdue.edu/business/mas/orgtax/pdf/IDAHO%20Exemption%20Certificate.pdf)[Idaho (for Lodging)](http://www.purdue.edu/business/mas/orgtax/pdf/IDAHO%20Lodging%20Exemption%20Certificate.pdf) |
| [Illinois](http://www.purdue.edu/business/mas/orgtax/pdf/ILL%20Exemption%20from%20sales%20tax%20Letter.pdf) |
| [Kansas](http://www.purdue.edu/business/mas/orgtax/pdf/KANSAS%20Exemption%20Certificate.pdf) |
| [Kentucky](http://www.purdue.edu/business/mas/orgtax/pdf/KentuckyTax_Certificate.pdf) |
| [Michigan](http://www.purdue.edu/business/mas/orgtax/pdf/MICH%20Exemption%20Certificate.pdf) |
| [Minnesota](http://www.purdue.edu/business/mas/orgtax/pdf/MINNESOTA%20Exemption%20Certificate.pdf) – Lodging and meals nevertheless taxable. |
| Montana – None. No State Sales Tax |
| New Hampshire – None. No State Sales Tax, but Meals and Rentals tax may apply. |
| [New Jersey](http://www.purdue.edu/business/mas/orgtax/pdf/NEW%20JERSEY%20ST-5%20Exempt%20Cert1.pdf) – Lodging ‘Occupancy Tax’ nevertheless applicable. |
| [New York](http://www.purdue.edu/business/mas/orgtax/pdf/NY%20Exemption%20Certificate.pdf) – Lodging nevertheless taxable in New York City |
| [Ohio](http://www.purdue.edu/business/mas/orgtax/pdf/OHIO%20Exemption%20Certificate.pdf) |
| Oregon – None. No State Sales Tax |
| [Texas](http://www.purdue.edu/business/mas/orgtax/pdf/TexasTax_Certificate.pdf) |
| **Sales Tax – Non-exempt Purchases by the University (*Sales tax should be paid*)** |
| Purchases delivered and used outside of Indiana. | Purdue is subject to the sales tax in other states. |
| Restaurant Food |
| Catered Food | Includes delivery and serving charges. Exceptions: Fundraising or recruitment within the state of Indiana (indicate on invoice voucher). |
| Lodging |
| **Sales Tax – Exempt Purchases Using PRF Funds** |
| To receive an exemption from Indiana retail sales tax, you must provide PRF’s ST-105 tax exemption certificate to the vendor and the purchase must be:* Invoiced to PRF
* Paid for by PRF with PRF Funds
* For an Exempt Purpose of PRF
 |
| Tangible Personal Property which is purchased primarily for tax-exempt purposes. | Office Supplies (Used by PRF) |
| Office Equipment and Furniture (Used by PRF) |
| Fundraising Supplies |
| Prizes, Awards, Giveaways to Donors for Fundraising Event |
| Food and Beverages | Grocery Items |
| Prepared and Catered Food (Only if served at vendor’s location with vendor’s equipment.) |
| Accommodations | Meeting/Banquet Room Rental for Tax Exempt Purpose (Fundraising) |
| Lodging/Rooms for 30 Days or More  |
| **Sales Tax – Non-exempt Purchases Using PRF Funds (*Sales tax should be paid*)** |
| Tangible Personal Property which is purchased primarily for tax-exempt purposes. | Purchased for Personal Benefit (Gift, Award, Prize for PRF/PU Employee) |
| Car Rental |
| Food and Beverages | Prepared and Catered Food (Including: charge for serving and delivery charge.) |
| Restaurant/Meals/Beverages for PRF Employees and Others |
| Accommodations | Lodging/Rooms for Less Than 30 Days |
| Meeting/Banquet Room Rental not for Tax Exempt Purpose (e.g., Retirement Function) |
| **Sales Tax Collections – General Rule** |
| Sales tax should be collected on the sale/rental/lease of tangible personal property in Indiana. | Examples include:* Computer Equipment
* Apparel
* Video Equipment
* Bowling Shoes
 |
| **Sales Tax – Exempt Sales by the University** |
| Delivered and Used Outside Indiana |
| Exemption Certificate provided by buyer | Keep on file for 3 yearsObtain new certificate each yearPurchasing organization must be billed directlyExamples:* Purchasing for resale
* Manufacturer using product directly in production process
* Not-for-profit organization using product for exempt purpose
* Governmental unit
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| Certain sales to students at the University | * Computers, software required as part of accredited curriculum
* Meals sold by the University
* Residence hall lodging during study for college credit
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| **Taxes on Utility Bills** |
| Exempt | Indiana Sales and Use TaxFederal Excise Tax |
| Non-exempt | State Utilities Receipts Tax (URT) |
| **Taxes on Telephone Bills** |
| Exempt | Federal Excise TaxIndiana Sales and Use TaxProperty Tax |
| Non-exempt | Indiana Gross Receipts TaxUniversal Service/Connectivity ChargeSubscriber/Carrier Line ChargeFederal Regulatory Fee and Property TaxesAdministrative Expense Fee |
| **Property Taxes** |
| Exempt | As a general rule, Purdue is exempt from property taxes. |
| Non-exempt (exceptions) | Not used for exempt purposeLeased property (depends on lease agreement)Drainage assessmentsUser fees |
| **Federal Excise Tax** |
| University purchases of aviation fuels for exclusive use by Purdue are charged the federal excise tax; however, because this use is nontaxable, Purdue is allowed to apply for a refund annually of the amounts paid.  The Tax Department files the request.  |