



SALES TAX GUIDELINES FOR PASCO SCHOOLS

Purchases
Sales
Admissions
Parking

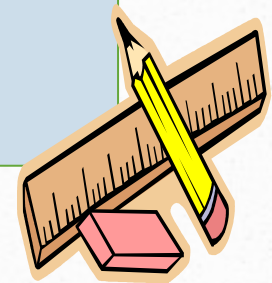
By:
Internal Audit & Purchasing Dept.

Certificate of Exemption

- **Certificate of Exemption ONLY applies to purchases made by the school. To qualify for tax exemption, purchases made by the school must have an educational purpose and benefit the school, the teachers, and/or the students.**
- **Exemption DOES NOT apply to sales. However, per FL Statute 212.08, some sales are tax exempt.**

Payment of sales tax on items purchased for resale

- ❑ Per Rule 12A-1.0011, K-12 schools are allowed to pay sales tax to suppliers on the cost of items purchased for resale rather than collect sales tax at the point of sale. Examples of items purchased for resale:
 - ❑ School materials and supplies (items sold at the school store).
 - ❑ Fundraising supplies (such as candy, y-ties, greeting cards, T-shirts, smencils, sports bottles, car magnets, and similar items).
 - ❑ Concession food and supplies (pizza, soda, candy).



Examples of Exempt and Taxable Purchases

❑ *EXEMPT PURCHASES FOR SCHOOL USE:*

- Classroom supplies and technology
- Uniforms & musical instruments (student clubs, cheerleading, band, and athletics)
- T-shirts for students, **if given away** (this includes T-shirts included with club dues)
- Food for school events & activities, student incentives, official staff meetings, and student & staff recognition (must be reasonable and occur on a limited basis)
- Tickets or entrance fees for field trips (even if student pays)
- Rental of venues, décor, and food for special student events such as Prom, Homecoming, 8th Grade Dance

❑ *TAXABLE PURCHASES FOR RESALE:*

- Fundraising supplies for resale
- Items for sale at school store
- Concession food and supplies for resale (except if it is an exempt grocery food)

List of Exempt Grocery Foods

- Water (without carbonation or flavorings)
- Breakfast, cereal, and granola bars
- Frozen foods (such as pizza, cookie dough, hamburgers and hot dogs)
- Canned foods
- Hamburger and hot dog buns
- Crackers
- Popcorn
- Nuts
- Bakery products

Promotion and Public Relations Expenditures

- These expenditures include food purchased for student registration, official meetings and receptions, incentives, special celebrations for students, recognition of service of a staff member or volunteer, staff appreciation, and staff hospitality.
- Per State Board of Education Rule 6A-1.0143, these expenditures should “directly benefit” or “be in the best interest of” the district.

Tests for Exemption of Promotion and Public Relations Expenditures

1. Does the expenditure benefit the school?
2. Is the expenditure related to educational activities at the school?
3. Does the expenditure occur on a limited basis?
4. Is the amount reasonable?

If the purchase meets these four tests, then the purchase is exempt.

Examples of Promotion and Public Relations Expenditures

Not Taxable *

- Food for students, parents, and teachers for school events and official staff-related activities.
- Items purchased for recognition of student or staff such as plaques or awards.
- Exempt grocery foods.

* Has to meet the four tests for exemption.



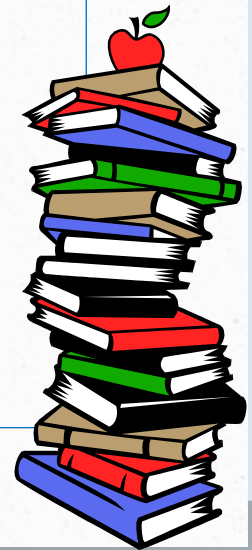
Taxable **

- Flowers, sympathy, birthday, and get-well cards.
- Items for personal use of a student or staff.
- Retirement Dinner.
- Gifts or items given to volunteers or staff, unless given in recognition of service and on a limited basis.

** Pay tax to vendor or send to District if vendor does not accept.

Tax Exempt Sales

- Sales of textbooks and workbooks for K-12 students.
- Sales of yearbooks.
- Sales of food and beverages served in the school cafeteria as part of the regular school lunch served to students.



Taxable Sales at Adult Ed Centers

- Textbooks sold to adults
- Tool kits sold to adults, i.e. carpentry and cosmetology tools
- Safety glasses sold to adults
- Scrubs and uniforms sold to adults
- ID badges sold to adults



Admissions

- ❑ Admission to an athletic or other event sponsored by a school is exempt. (FAC Rule 12A-1.005)
- ❑ Examples:
 - School sports
 - School drama plays
 - School band concerts
 - School dances

Parking

- Parking receipts will be considered a donation and will not be taxed.

