

STATE SALES TAX ISSUES

Please retain this for reference for future use.

Texas State Sales Tax Exemption

If an exempt purchase is made for Scouting use – the State Comptroller's office requires that the person making the purchase fill in an exemption certification and list the tax exempt entity as the "Boy Scouts of America – Pack #____..."

The State of Texas, thankfully, has a very common sense approach – and recognizes the work done at the unit level as being educational in nature – and therefore charitable.

Usually presenting the completed exemption certification will be adequate. But some merchants require more.

If you attempt to purchase merchandise and the merchant has a computerized system that forces them to require a tax number you will not be able to enjoy exemption with that purchase.

If this is what you are encountering you should be able to contact the state comptroller's office on how your unit might receive a tax letter. I have been told that if a unit submits reasonable proofs such as its charter and registration card of the person typing the cover letter – a tax letter should be granted.

The unit would then be able to present the tax letter for all authorized exempt purchases, as it would validate your identity. You would also need to use the exemption certification form.

If you have questions you may want to refer to the state comptroller's website:
www.window.state.tx.us or call 713.756.3318.

What's Exempt?

Purchases used entirely for the benefit of your Scouting program would typically be exempt from sales tax.

Exemption Examples:

- Sales tax on catering at your blue and gold banquet
- Sales tax on rope and other hardware used by the troop
- Sales tax on aluminum foil for the campout

Non-Exempt Purchases:

It should be obvious, but these would include anything not purchased for the exclusive usage of Scouting.

Examples for Non Exempt purchases include:

- Sales tax on a cargo carrier used to transport Scout gear on campouts and then used for family vacation. This is personal.
- Sales tax on a parka or other personal item used on Scout outings. This is personal.

Collection of Sales Tax

If your unit engages in multiple product sales throughout the year you are required by the state to collect and pay sales tax. Contact the comptroller for details.