

Form ST-105

State Form 49065 R4/ 5-05

Indiana Department of Revenue
General Sales Tax Exemption Certificate

Indiana registered retail merchants and businesses located outside Indiana may use this certificate. The claimed exemption must be allowed by Indiana code. Exemption statutes of other states are not valid for purchases from Indiana vendors. This exemption certificate can not be issued for the purchase of Utilities, Vehicles, Watercraft, or Aircraft. Purchaser must be registered with the Department of Revenue or the appropriate taxing authority of the purchaser's state of residence.

Sales tax must be charged unless all information in each section is fully completed by the purchaser. Purchasers not able to provide all required information must pay the tax and may file a claim for refund (Form GA-110L) directly with the Department of Revenue.

Section 1 (print only)
Name of Purchaser Central Association of College and University Business Officers
Business Address 401 Canfield Admn City Lincoln State NE Zip 68588-0415
Purchaser must provide minimum of one ID number below.*
Provide your Indiana Registered Retail Merchant's Certificate
TID and LOC Number as shown on your Certificate. TID# (10 digits) LOC# (3 digits)
If not registered with the Indiana DOR, provide your State Tax ID Number from another State. 73-1079052 IL
*See instructions on the reverse side if you do not have either number. State ID# State of Issue

Section 2
Is this a [X] blanket purchase exemption request or a [] single purchase exemption request? (check one)
Description of items to be purchased.

Section 3
Purchaser must indicate the type of exemption being claimed for this purchase. (check one or explain)
[] Sales to a retailer, wholesaler, or manufacturer for resale only.
[] Sale of manufacturing machinery, tools, and equipment to be used directly in direct production.
[X] Sales to nonprofit organizations claiming exemption pursuant to Sales Tax Information Bulletin #10. (May not be used for personal hotel rooms and meals.)
[] Sales of tangible personal property predominately used (greater than 50 percent) in providing public transportation - provide USDOT#. A person or corporation who is hauling under someone else's motor carrier authority, or has a contract as a school bus operator, must provide their SS# or FID# in lieu of a State ID# in Section #1. USDOT#
[] Sales to persons, occupationally engaged as farmers, to be used directly in production of agricultural products for sale. Note: A farmer not possessing a State Business License# may enter a FID# or a SS# in lieu of a State ID# in Section #1.
[] Sales to a contractor for exempt projects (such as public schools, government, or nonprofits).
[] Sales to Indiana Governmental Units (agencies, cities, towns, municipalities, public schools, and state universities).
[] Sales to the United States Federal Government - show agency name. Note: A U.S. Government agency should enter its Federal Identification Number (FID#) in Section #1 in lieu of a State ID#.
[] Other - explain.

Section 4
I hereby certify under the penalties of perjury that the property purchased by the use of this exemption certificate is to be used for an exempt purpose pursuant to the State Gross Retail Sales Tax Act, Indiana Code 6-2.5, and the item purchased is not a utility, vehicle, watercraft, or aircraft.
I confirm my understanding that misuse, (either negligent or intentional), and/or fraudulent use of this certificate may subject both me personally and/or the business entity I represent to the imposition of tax, interest, and civil and/or criminal penalties.
Signature of Purchaser Mary Lagrange Date 08/20/08
Printed Name Mary Lagrange Title Treasurer

The Indiana Department of Revenue may request verification of registration in another state if you are an out-of-state purchaser. Seller must keep this certificate on file to support exempt sales.

Form ST-105
General Information and Instructions

All four (4) sections of the ST-105 must be completed or the exemption is not valid and the seller is responsible for the collection of the Indiana sales tax.

Section 1 Instructions

- A) **This section requires an identification number.** In most cases this number will be an Indiana Department of Revenue issued Taxpayer Identification Number (TID# - see note below) used for Indiana sales and/or withholding tax reporting. If the purchaser is from another state and does not possess an Indiana TID#, a resident state's business license, or State issued ID# must be provided.
- B) **Exceptions** - For a purchaser not possessing either an Indiana TID# or another State ID#, the following may be used in lieu of this requirement.
- Federal Government** – place your FID# in the State ID# space.
- Farmer** – place your SS# or FID# in the State ID# space.
- Public transportation haulers** operating under another motor carrier authority, or with a contract as a school bus operator, must indicate their SS# or FID# in the State ID# space.
- Nonprofit Organization** – must show its FID# in the State ID# space.

Section 2 Instructions

- A) Check a box to indicate if this is a single purchase or blanket exemption.
- B) Describe product being purchased.

Section 3 Instructions

- A) Purchaser must check the reason for exemption.
- B) Purchaser must be able to provide additional information if requested.

Section 4 Instructions

- A) Purchaser must sign and date the form.
- B) Printed name and title of signer must be shown.

Note: The Indiana Taxpayer Identification Number (TID#) is a ten (10) digit number followed by a three (3) digit LOC#. The TID# is also known as the following:

- a) Registered Retail Merchant Certificate
- b) Tax Exempt Identification Number
- c) Sales Tax Identification Number
- d) Withholding Tax Identification Number

The Registered Retail Merchant Certificate issued by the Indiana Department of Revenue shows the TID# (10 digits) and the LOC# (3 digits) at the top right of the certificate.

INFORMATION BULLETIN # 10

SALES TAX

JUNE 2008

(Replaces Bulletin #10 dated July 2004)

DISCLAIMER: Informational bulletins are intended to provide nontechnical assistance to the general public. Every attempt is made to provide information that is consistent with the appropriate statutes, rules and court decisions. Any information that is not consistent with the law, regulations or court decisions is not binding on either the Department or the taxpayer. Therefore, the information provided herein should serve only as a foundation for further investigation and study of the current law and procedures related to the subject matter covered herein.

SUBJECT: Application of Sales Tax to Nonprofit Organizations

EFFECTIVE DATE: Upon Publication

REFERENCE: IC 6-2.5-5-21, IC 6-2.5-5-25, IC 6-2.5-5-26, 45 IAC 2.2-5-55, 45 IAC 2.25-56, 45 IAC 2.2-5-57, 45 IAC 2.2-5-58, 45 IAC 2.2-5-59, 45 IAC 2.2-5-60

INTRODUCTION

This bulletin concerns the application of Indiana sales/use tax to nonprofit organizations. This bulletin will discuss when sales tax must be collected by nonprofit organizations and when Indiana sales/use tax must be paid on purchases by nonprofit organizations.

REGISTRATION

When taxable retail sales are made by nonprofit organizations they must register with the Nonprofit Section of the Indiana Department of Revenue and receive a Taxpayer Identification Number.

Nonprofit organizations making tax exempt qualified purchases, but not making retail sales, also must register with the Nonprofit Section of the Indiana Department of Revenue and receive a Taxpayer Identification Number. The Taxpayer Identification Number may be used on sales tax exemption certificates (Form ST-105 or Streamlined Sales Tax Governing Board Form F0003) when making qualified purchases, unless the organization has been classified as a "social" organization by the Internal Revenue Service. Social organizations, including homeowner's associations, are not allowed to make purchases exempt from Indiana sales/use tax.

SALES BY QUALIFIED NONPROFIT ORGANIZATIONS

Sales of tangible personal property by qualified nonprofit organizations carried on for a total of not more than 30 days in a calendar year and engaged in as a fund raising activity to raise funds to further the qualified nonprofit purposes of the organization are exempt from sales tax. The 30-day rule applies to all sales by such organizations. Each day in which selling activities are conducted is a "selling day" for purposes of determining whether a qualified nonprofit organization has conducted sales for more than 30 days during any calendar year. This provision applies to social organizations as well as other qualified organizations.

If an organization conducts sales or fundraising activities during 31 or more days in a calendar year (not necessarily consecutive), the organization is a retail merchant and must collect sales tax on all sales made during the calendar year. All organizations required to collect sales tax must register with the Department of Revenue and get a Retail Merchant Certificate. They also must register as nonprofit organizations. A single application (Form BT-1) is used to register with the Indiana Department of Revenue for sales tax, innkeepers' tax and food & beverage tax. A separate application is required for each business location. The nonrefundable application fee for a Retail Merchant's Certificate is \$25. Form BT-1 is available from any Department of Revenue District Office and the Internet, or it can be completed online at <https://secure.in.gov/apps/dor/bt1/>

The sale of periodicals, books, or other property that is intended primarily for the organization's educational, cultural or religious purposes or for the improvement of the work skills or professional qualifications of the organization's members, may be sold exempt throughout the year.

PURCHASES BY NONPROFIT ORGANIZATIONS

Purchases for Own Use

To qualify for a sales tax exemption on purchases as a nonprofit organization, the following conditions must be met:

1. The organization must be named or described in IC 6-2.5-5-21. This includes nonprofit organizations organized and operated exclusively for one or more of the following purposes:
 - (a) Charitable
 - (b) Literary
 - (c) Civic
 - (d) Religious
 - (e) Educational
 - (f) Scientific
 - (g) Fraternal
2. Also included are the following specifically named nonprofit organizations:

- | | |
|---------------------------|------------------------|
| (a) Business Leagues | (b) Licensed Hospitals |
| (c) Cemetery Associations | (d) Monasteries |
| (e) Churches | (f) Parochial Schools |
| (g) Convents | (h) Pension Trusts |
| (i) Labor Unions | |

3. The organization is not operated predominantly for social purposes.
4. For a purchase by a nonprofit organization to qualify for exemption, the article purchased must be used for the same purpose as that for which the organization is being exempted. **Purchases for the private benefit of any member of the organization or for individuals, such as meals and lodgings, are not eligible for exemption.**

EXAMPLE: A nonprofit organization is hosting a 3 day convention for its members in Indianapolis. The organization rents meeting rooms in a hotel to conduct its educational meetings. The rental of the rooms will be exempt from the sales tax and local innkeepers' tax if applicable.

Sales of meals during a meeting of the organization are taxable because the meals are provided for the convenience of the organization and its members. Such meals are taxable even when served in conjunction with a meeting which is furthering their nonprofit purpose.

At the same convention, the organization reserves and pays for, out of its treasury, the cost of four hotel rooms to be used by its officers for lodging. The lodgings provided for the officers by the organization *are not* exempt from the sales tax or the innkeepers' tax if applicable. The rental of rooms for its officers or members is a private benefit for the individual and is not for the purpose for which the organization exists.

If a member of the organization purchases a meal or lodging, even if the member is to be reimbursed by the organization, the purchase is not exempt, and the member must pay sales tax at the time of purchase. Purchases used for social purposes are never exempt.

5. The fact that an organization is incorporated as a nonprofit corporation or is being exempted from income tax by the Internal Revenue Service does not necessarily mean that purchases made by the nonprofit organization are exempt from sales/use tax.

Organizations, as previously described, that are registered with the Indiana Department of Revenue as nonprofit organizations may purchase exempt from Indiana sales/use tax tangible personal property primarily used in carrying out the nonprofit purpose of the qualified organization. To purchase tax exempt, the organization must complete and provide to the vendor a Form ST 105 or the uniform exemption form authorized by the Streamlined Sales and Use Tax Agreement.

Purchases by Non-Indiana Nonprofit Organizations

Nonprofit organizations not registered with the Indiana Department of Revenue may use Form ST 105 or Streamlined Sales Tax Governing Board Form F0003 to make purchases exempt from the sales tax.

Purchases for Resale

Tangible personal property purchased for resale by a nonprofit organization is eligible for the sales tax exemption.

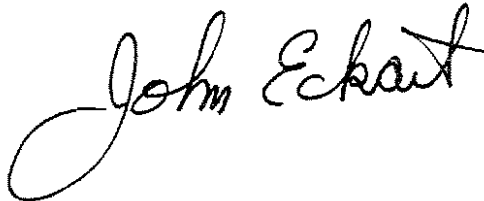
Purchases by Social Organizations

Purchases of tangible personal property to be used by organizations organized and operated predominantly for social purposes are not exempt. If more than 50 percent of its expenditures is related to social activities, the organization is considered to be predominantly

organized and operated for social purposes. Examples of expenditures related to social activities include:

- Food and beverage services:
- Golf courses:
- Swimming pools:
- Dances:
- Parties: and
- Other similar social activities.

This bulletin applies only to the status of nonprofit organizations under the sales tax statute. Nonprofit organizations are subject to the Adjusted Gross Income Tax Act on unrelated business income as defined in Internal Revenue Code Section 513. Homeowners' associations do not qualify for sales tax exempt status under Indiana law.

A handwritten signature in black ink that reads "John Eckart". The signature is written in a cursive style with a large, looping initial "J".

John Eckart
Commissioner