

## **SALES TAX EXEMPTIONS**

Organizations whose accounting records are outside the school internal accounts may not use district or school sales tax exemption numbers. Generally, PTO's/PTA's have their own sales tax exemption number. Schools, grades K-12, and their respective PTA's have been granted the privilege of paying tax to their suppliers on school materials and supplies that they purchase for resale to students, and the tax is passed on to the student as part of the selling price. School organizations which sell candy to raise money for their various activities should pay tax to their suppliers on the cost of the candy. The distinct advantages of this method are:

1. Sales tax applied to the wholesale price results in lesser tax and
2. It relieves the school of the obligation to report sales tax to the State for this fund-raiser.