RE: Religious/Charitable Sales Tax Exemption Number N11712

Dear Sir/Madam:

Based on the information submitted, we have determined that your organization qualifies as a religious or charitable institution and is exempt from sales/use tax on both purchases and sales of tangible personal property and related services, subject to the following limitations:

1. Purchases and sales pertaining to "unrelated trades or businesses" as defined in 26 U.S.C.A., Section 513 are subject to Utah sales tax provisions. They are not exempt.
2. Individuals affiliated with the organization are not authorized to exempt purchases for their personal use.
3. Sales of food to the general public are subject to tax unless sold at an isolated or occasional fund raiser, bazaar, etc.
4. The exemption only applies to purchases and sales for religious or charitable purposes.

The exemption operates in one of four ways:

1. A single purchase of $1,000 or more is exempt by issuing or by having previously issued an Exemption Certificate (Form TC-721) to the vendor.
2. Purchases made under a written contract are exempt.
3. Taxes are paid to the vendor for purchases less than $1,000. A pre-printed Refund Coupon (Form TC-719) is mailed to the Tax Commission for refund of tax paid.
4. Purchases of electrical, gas or telephone service are exempt by issuing Exemption Certificate (Form TC-721) to the public utility.

Refund coupons, an Exemption Certificate and a sample Contract (Form TC-73) are enclosed. The Exemption Certificate and Contract may be reproduced. Do not reproduce the Refund coupon.

Invoices and other records should be kept for a minimum of three years and are subject to audit by a representative of the Tax Commission to verify the proper use of this exemption.

If you have any questions, contact me at (801) 297-7507 or fax (801) 297-7697.

Respectfully,

[Signature]

David Christiansen
Customer Service Division

Enclosures

(If you need an accommodation under the American’s with Disabilities Act, contact the Tax Commission at (801) 297-8811 or Telecommunication Device for the Deaf (TDD) (801) 297-3819. Please allow three working days for a response.)