

Applies to: (examples; Faculty, Staff, Students, etc)

Faculty , Staff , Students

Policy Overview:

Issued: 09-01-2016

Next Review Date: 09-17-2021

Frequency of Review: Annually

It is important that the College utilize its resources appropriately. Therefore, the College should not be paying taxes from which it is exempt. Therefore, it is critical that all representatives of the institution utilize the tax exemption certificate when purchasing items on behalf of the College.

Applies to all individuals at the College making purchases on behalf of the College.

Definitions:

Term	Definition
Sales & Use Tax	State sales tax imposed on the purchase price of tangible personal property or taxable service sold at retail. Use tax imposed on the storage, use or consumption of tangible personal property in the state.

Details:

St. Louis College of Pharmacy is a private, not-for-profit, educational institution. Because of this, the College has obtained exemption from paying sales and use tax in the state of Missouri.

This tax exemption is to be used exclusively to make purchases for use by the College in support of its mission. The exemption is not for personal use by individuals, faculty, staff, or students. Any purchases by a student organization must be College-related and paid for with College funds (i.e., tuition and fees).

Dues charged by clubs, sororities, fraternities, etc. and collected by the College as a convenience to the student organization are not considered College funds. Student organizations should be utilizing the exemption status (if any) of the sponsoring organization of which they are a chapter.

Organizations whose financial activities are not included in the financial reports of the College are not permitted to use the College's sales tax exemption status. This includes the Alumni Association which has a separate federal tax identification number.

To obtain a copy of the College's sales tax exemption certificate, please contact the accounts payable administrator in the Business Office.

Generally, items supporting the College's mission ordered from out-of-state vendors are not subject to Missouri use tax if the items are being shipped to the College, and the vendor has been provided with a Missouri sales and use tax exemption certificate.

Since the College is exempt from paying sales and use tax, these taxes are generally not reimbursable when an employee has extended personal funds for a purchase. The employee should have a copy of the College's sales and use tax exemption certificate to show before a transaction is made or at the time of payment. Therefore, any sales and use tax charges on a request for reimbursement will be removed before reimbursement is made.

A special exception may be requested from the VP, Finance/CFO in cases where it can be clearly demonstrated that the purchase and payment of tax was unavoidable or an emergency. This circumstance should be rare.

The College's tax-exempt status is very serious and the integrity of how it is utilized must be protected due to the potential for abuse. Misuse of the College's tax privileges could affect its tax-exempt status. Personal use is prohibited and may result in disciplinary action up to and including termination.

Responsibilities:

Position/Office/Department	Responsibility
Business Office	Provide employees with copy of Sales and Use Tax Exemption certificate. Monitor reimbursement requests to adhere to policy. Work with vendors in order to ensure that they have copy of exemption certificate as necessary.
College Representatives	Ensure compliance with policy by utilizing exemption certificate for College-business purposes only. Adhere to guidelines as outlined in this policy.

Policy Contacts:

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