



## **POLICY D-8: Tax-Exempt Purchases**

### **Policy/Procedure**

Dickinson College's (the "College") status as a nonprofit educational institution allows for an exemption from sales and use tax in Pennsylvania and many other states. Sales and use taxes are typically imposed on retail purchases, and on the consumption, rental or use of tangible personal property.

Sales and use taxes are governed at the state (and local) level and exemption rules vary from state to state. The College has filed for exemption certificates in the following states based on the frequency of employee travel and purchases made in those states:

|               |              |
|---------------|--------------|
| Colorado      | Minnesota    |
| Connecticut   | Mississippi  |
| Florida       | New Jersey   |
| Indiana       | New York     |
| Kansas        | Ohio         |
| Kentucky      | Pennsylvania |
| Maryland      | Tennessee    |
| Massachusetts | Virginia     |
| Michigan      | Wisconsin    |

Exemption descriptions and certificates may be found on the Financial Operations website at [http://www.dickinson.edu/info/20082/financial\\_operations/1344/sales\\_tax\\_exemption](http://www.dickinson.edu/info/20082/financial_operations/1344/sales_tax_exemption). Employees traveling or making purchases from suppliers in an exempt state must provide the vendor with the appropriate exemption certificate to avoid paying sales tax on exempt purchases. Use of an exemption certificate is subject to the instructions on each form.

### **Related Information**

Petty Cash  
Procurement of Goods and Services  
Personal Purchases  
Purchasing Card  
Purchase Order Terms and Conditions  
Travel and Related Expenses

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| <b>History/Revision Information</b> |
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**Responsible Office/Division:** Financial Operations

**Effective Date:** October 2012

**Last Amended Date:**

**Next Review Date:** Annually in June

**Also Found In:**