

Michigan Sales and Use Tax Certificate of Exemption

For internal Indiana University use only

It is the signor's responsibility to ensure that the sales tax exemption certificate is only provided to vendors when the purchase or rental meets the requirements for the exemption. The application of the sales tax exemption is summarized below for our purposes:

1. Purchases of tangible personal property (not for resale):
 - a. By an organization not operated for profit and exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, and
 - b. Used primarily to carry out the purposes of our exempt organization (instruction, research, public service), and
 - c. Must be paid for with a move directly from the funds of the exempt nonprofit organization (i.e. Employee making the purchase with personal funds with intent for reimbursement from IU will not be eligible to use this certificate to receive an exemption), and
 - d. Are not exempt if the property is used for personal benefit of a university employee or given as a prize at a fundraiser since neither of those purposes support carrying out the primary exempt purpose of the university.
2. Hotel and Motel Accommodation rentals:
 - a. Are exempt if furnished directly to legally qualified nonprofit organizations.
3. Food or Meal purchases:
 - a. Indiana University does not appear to meet the criteria for receiving tax exemption on the purchase of prepared food unless it is purchasing catered meals and is paid for from university funds with no reimbursement from individuals attending the event.
 - b. A separate statement needs to be provided to a caterer instead of the Sales and Use Tax Certificate of Exemption used for other purchases. A sample statement to provide:

Exemption Certificate

The undersigned certifies that none of the monies used to purchase catered meals for the fund raising event or other purpose to be held on—were paid by those in attendance at the event or anyone other than the qualified exempt organization.

The undersigned affirms that if this exemption should be disallowed, the caterer will be reimbursed for the sales tax due.

Name of Exempt Organization

Signature of Official

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To prepare the sales tax exemption certificate for use, the fiscal officer, or department equivalent will need to complete the following steps:

1. Enter "Blanket Certificate Expiration Date" in Section 1. This date would be four years from the signing date. (*Example: if signing date is 7/31/09, then add four years to the year. This would make the expiration date 7/31/13*)
2. Enter Vendor's Name and Address in Section 1.
3. Enter the following information in Section 4 as instructed:
 - a. Business Address
 - b. City, State, Zip Code
 - c. Business Telephone Number (include area code)
 - d. Name (Print or Type)
 - e. Signature and Title
 - f. Date Signed
4. Provide the completed exemption certificate and the copy of the federal exemption letter to the vendor.

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DO NOT send to the Department of Treasury. Certificate must be retained in the Seller's Records.

This certificate is invalid unless all four sections are completed by the purchaser.

SECTION 1: TYPE OF PURCHASE

One-time purchase.

Order or Invoice Number: _____

Blanket certificate.

Expiration Date (maximum of four years): _____

Blanket Certificate. Recurring business relationship

The purchaser hereby claims exemption on the purchase of tangible personal property and selected services made from the vendor listed below. This certifies that this claim is based upon the purchaser's proposed use of the items or services, OR the status of the purchaser.

Vendor's Name and Address

SECTION 2: ITEMS COVERED BY THIS CERTIFICATE

Check one of the following:

1. All items purchased

2. Limited to the following items: _____

SECTION 3: BASIS FOR EXEMPTION CLAIM

Check one of the following:

1. For Resale at Retail. Enter Sales Tax License Number: _____

2. For Lease. Enter Use Tax Registration Number: _____

The following exemptions DO NOT require the purchaser to provide a number:

3. For Resale at wholesale

4. Agricultural Production. Enter percentage: _____%

5. Industrial Processing. Enter percentage: _____%

6. Church, Government Entity, Nonprofit School, or Nonprofit Hospital (Circle type of organization)

7. Nonprofit Internal Revenue Code Section 501(c)(3) or 501(c)(4) Exempt Organization (must provide IRS authorized letter with this form)

8. Nonprofit Organization with an authorized letter issued by the Michigan Department of Treasury prior to June 1994 (must provide copy of letter with this form)

9. Rolling Stock purchased by an Interstate Motor Carrier

10. Direct Mail (delivered to multiple taxing jurisdictions - purchaser assumes tax payment obligation)

11. Other (explain): _____

SECTION 4: CERTIFICATION

I declare, under penalty of perjury, that the information on this certificate is true, that I have consulted the statutes, administrative rules and other sources of law applicable to my exemption, and that I have exercised reasonable care in assuring that my claim of exemption is valid under Michigan law. In the event this claim is disallowed, I accept full responsibility for the payment of tax, penalty and any accrued interest, including, if necessary, reimbursement to the vendor for tax and accrued interest.

Type of Business (see codes on page 2)	Business Name
Business Address	City, State, ZIP Code
Business Telephone Number (include area code)	Name (Print or Type)
Signature and Title	Date Signed

Instructions for completing Michigan Sales and Use Tax Certificate of Exemption

The purchaser shall complete all four sections of the exemption certificate to establish a valid exemption claim. A seller must meet a "good faith" standard required by law. "Good faith" means that the seller received a completed and signed Certificate of Exemption from the purchaser. Sellers must retain the exemption certificates for a period of at least four years.

Michigan does not issue "tax exemption numbers". Sellers should not accept a number as evidence of exemption from sales or use tax. A purchaser who claims exemption for "resale at retail" or "for lease" must provide the seller with an exemption certificate and their sales tax license number or use tax registration number.

SECTION 1:

Place a check in the box that describes how you will use this certificate.

- a) Choose "One time purchase" and include the invoice number this certificate covers.
- b) A "recurring business relationship" exists when a period of not more than 12 months elapses between sales transactions between the seller and purchaser.
- c) Choose "Blanket" and enter the expiration date. The maximum is four years.

Print the vendor's name and address in the area provided.

SECTION 2:

Place a check in the box for "All items purchased" or choose "Limited to" and list the items that are covered by the exemption claim.

SECTION 3:

Place a check in the box that applies and provide the additional information requested for that exemption. The exemptions listed are the most common. If the exemption you are claiming is not listed use "Other" and enter the qualifying exemption.

SECTION 4:

Use the number that describes your business or explain any other business type not provided.

01	Accommodation	09	Transportation
02	Agricultural	10	Utilities
03	Construction	11	Wholesale
04	Manufacturing	12	Advertising, newspaper
05	Government	13	Hospital
06	Rental or leasing	14	Educational
07	Retail	15	501c3 or 501c4
08	Church	16	Other

Print the name of the business, address, city, state and zip code. Sign and provide your title (i.e. owner, president, treasurer, etc.). Provide your printed name and date the certificate.

DO NOT SEND THIS EXEMPTION CERTIFICATE TO THE DEPARTMENT OF TREASURY.

Internal Revenue Service**Department of the Treasury****P. O. Box 2508
Cincinnati, OH 45201****Date:** August 16, 2002**Person to Contact:**
Gordon Schnur 31-07654
Customer Service SpecialistIndiana University
Financial Management Services
400 E. 7th St., Rm 501
Bloomington, IN 47405-3024**Toll Free Telephone Number:**
8:00 a.m. to 6:30 p.m. EST
877-829-5500**Fax Number:**
513-263-3756**Federal Identification Number:**
35-6001673

Dear Sir or Madam:

This letter is in response to your request for a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in May 1968 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section 509(a)(2).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Our records also indicate that a determination letter dated September 16, 1971, determined that your organization is not required to file a Form 990, Return of Organization Exempt from Income Tax.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

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Indiana University
35-6001673

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

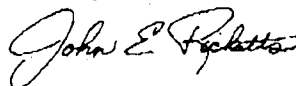
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. You are also required to make available for public inspection a copy of your organization's exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE
Customer Account Services