

## General Sales Tax Rules For Purchases Made Thru School Funds

Purchase becomes property of the school (made under school purchase order and paid with school funds):      Purchase does not become the property of the school

### GENERAL PURCHASES:

Purchase is made for the general purpose of education	EXEMPT	NOT EXEMPT
Purchase/payment is made by school personnel or other organization	NOT EXEMPT	NOT EXEMPT
Purchase is part of the required curriculum (rockets, kites, activities)	EXEMPT	NOT EXEMPT
Purchases for printing materials for school government, school newspaper or school magazine, TPT	EXEMPT	EXEMPT
Films, audio and video tape recordings (purchased or rented)	NOT EXEMPT	NOT EXEMPT
Athletic equipment (includes FB decals for helmets)	EXEMPT	NOT EXEMPT
Clothing purchased	EXEMPT	NOT EXEMPT
Athletic apparel that becomes consumable (i.e., swimsuits, swim caps, socks, shoes)	EXEMPT	EXEMPT
Digital Products: Digital games, electronic delivered software, downloaded products	NOT EXEMPT	NOT EXEMPT
Textbooks purchased/sold to enrolled students, digital plan books, e-books, podcasts, electronic music, online educational courses	EXEMPT	EXEMPT
Gifts to staff, students or parents	NOT EXEMPT	NOT EXEMPT
School apparel that is purchased and resold	NOT EXEMPT	NOT EXEMPT
Yearbooks	NOT EXEMPT	NOT EXEMPT
Sales of class pins, rings and similar items paid for, either directly or indirectly by the student	NOT EXEMPT	NOT EXEMPT
Sales of trophies, medals, etc., to nonprofit educational institutions, intended for awards to students, varsity letters.	EXEMPT	EXEMPT
Items paid for and used by fundraising funds.	NOT EXEMPT	NOT EXEMPT
Hotel and Lodging Bills	EXEMPT-If paid by school or district	NOT EXEMPT-If paid by individual

### BUILDING MAINTENANCE:

Purchase is made for the school building maintenance	EXEMPT	NOT EXEMPT
Purchase/payment is made by school personnel or other organization	NOT EXEMPT	NOT EXEMPT
Purchase is for use in the building trades curriculum	EXEMPT	NOT EXEMPT

### FOOD PURCHASES:

Food purchased from a caterer or other preparer, for immediate consumption.	EXEMPT-ONLY IF <b>NOT</b> REIMBURSED BY STAFF AND PAID FOR BY SCHOOL CHECK INVOICE MUST READ "NOT FOR RESALE"	NOT EXEMPT IF BEING PAID FOR BY INDIVIDUALS EVEN IF PAID FOR BY SCHOOL CHECK
Food served hot (pizza) or at a banquet hall	NOT EXEMPT	NOT EXEMPT
Food sold to teachers or visitors by schools	NOT EXEMPT	NOT EXEMPT
Items sold in school store or machines	NOT EXEMPT	NOT EXEMPT
Food and beverages served at fundraisers are sales of prepared food for immediate consumption	NOT EXEMPT	NOT EXEMPT
Bakery items sold by a grocery store or bakery for off-premise consumption, no heating of food, no utensils served	EXEMPT	EXEMPT
Items purchased for food closet, etc., that are normally exempt from sales tax at point of purchase	EXEMPT	EXEMPT

### LEASES, RENTALS, SERVICES:

Party rentals (discretion of Owner on who pays the sales tax), concerts, movies, sports events)	NOT EXEMPT	NOT EXEMPT
Resale and Manufacturing Services: Manufacturing process, installation and repairs to production machinery, maintenance of equipment used in production	EXEMPT	EXEMPT

**\*\* Purchases made by school Support Groups / PTOs are not tax exempt, unless tax exempt under Michigan sales tax laws.**