

MISSISSIPPI SALES AND USE TAX EXEMPTION LETTER

****For internal Indiana University use only****

Note: The University qualifies for exemption according to Miss Code Ann. 27-65-11(g). Indiana University must issue this letter to retailers when purchasing tangible personal property or taxable services to qualify for exemption from MS sales and use taxes.

- Sales are exempt provided the exemption is not applied to sales of property or services which are not to be used in the ordinary operation of the school, or which are to be resold to the students or the public.
- Indiana University must be the direct purchaser and payer of record. Purchases must be made in the following manner:
 - Are directly invoiced and charged to Indiana University, and
 - Are directly paid by Indiana University via
 - check,
 - credit card
- All purchases made using the exemption must benefit the University only. The letter may not be used for the benefit of any officer, member, or employee of Indiana University.

Instructions:

- Provide a copy of the attached exemption letter to the vendor when making an exempt purchase.



October 15, 2012

Indiana University
400 East 7th Street, Poplars Building 501
Bloomington, IN 47405-3085

Reference: Sales Tax Exemption
File No: LR.12.277

Dear Sir or Madame;

This is in response to your letter of August 28, 2012 in which you asked that we provide you with a statement verifying the Indiana University's exemption from sales and use tax. Your request has been assigned the file number listed above. Please use this number in any further correspondence with the Mississippi Department of Revenue concerning this request.

After a search of the applicable statutes, this is to confirm that Indiana University does qualify for sales tax exempt status pursuant to Miss. Code Ann. §27-65-111(g). This Section provides that sales of tangible personal property or services made to elementary and secondary grade schools, junior and senior colleges owned and operated by a corporation or association in which no part of the earnings inures to the benefit of any private shareholder, group or individual, and which are exempt from state income taxation are exempt from sales tax. **As a prerequisite to exemption, the sale of property or charge for services must be sold directly to, billed directly to, and paid for directly by the exempt entity.**

This exemption applies to sales of annuals, awards, articles of clothing or jewelry given in recognition of accomplishments and rental of caps and gowns when sold to, billed to, and paid for directly by the school. This exemption does not apply to sales of tangible personal property or services to contractors purchased in the performance of contracts with the exempt entity, nor the employees of the exempt entity, although the contractor or employee may be reimbursed for the expense by the exempt entity. Furthermore, this exemption does not apply Contractors Tax levied by Miss. Code Ann. §27-65-21. Finally, his exemption does not apply to sales of property which is not to be used in the ordinary operation of the school, or which is to be resold to the students, the employees of the organization, or the general public.

You may use a copy of this letter in order to substantiate the Indiana University's exempt status. I trust that this is the information you were requesting. Should you have any additional questions, feel free to contact this office at (601) 923-7015.

Under Miss. Code Ann. §27-65-85(a), it shall be unlawful for any person to use an exemption authorized under the Sales Tax laws for the purpose of avoiding the payment of tax the person is required to pay by law. Any person violating this provision shall be guilty of a misdemeanor and, on conviction thereof, shall be fined not more than Five Hundred Dollars (\$500.00), or imprisoned not exceeding six (6) months in the county jail, or punished by both such fine and imprisonment, at the discretion of the court.

This letter ruling is based on the specific facts and circumstances that you communicated to the Mississippi Department of Revenue. This ruling is not binding on the Department of Revenue if these facts and circumstances are inaccurate, contain a material omission of a relevant fact or facts to the issue(s) presented or if such facts and circumstances change. This letter ruling is also only valid for seven (7) years from the date of this letter. At the end of this seven (7) year period, you are free to update your information and request another letter ruling if you wish. This ruling is only applicable to you or to your client if you are requesting this ruling on behalf of another and can only be relied upon by the person for whom the ruling was requested.

If the facts and circumstances presented in your request are accurate, complete and do not change for the seven (7) year period indicated above, the person for whom it was requested can rely upon this ruling unless and until there is a change in the law or regulation or the issuance of judicial decision that indicates that the ruling is no longer correct or the Department of Revenue retracts the ruling. The Department of Revenue does reserve the right to retract this ruling if it later determines on its own review that the ruling is wrong. Such a retraction would be in writing and the effect of the retraction would be prospective from the date of the retraction letter.

Sincerely,



Nicolette Floyd, Auditor
Mississippi Department of Revenue
Sales and Use Tax Bureau